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Canada Royal Commission on
Pilots

Hearings 1964

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ROYAL COMMISSION

ON

57
PILOTAGE

HEARINGS

HELD AT

OTTAWA

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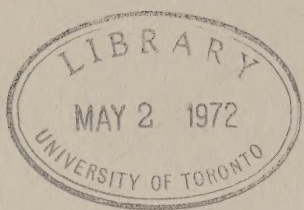
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ROYAL COMMISSION ON MARINE PILOTAGE

Proceedings of the hearing held
in the Exchequer Court Building,
Ottawa, Ontario, on Tuesday,
September 22nd, 1964.

COMMISSION:

The Honourable Mr. Justice Bernier	Chairman
Mr. Robert K. Smith	Member
Mr. Harold A. Renwick	Member
Mr. Gilbert Nadeau	Secretary

COMMISSION COUNSEL:

Mr. Maurice Jacques

PRESENT:

Mr. J. Brisset, Q.C.	for the Shipping Federation of Canada
Mr. Marc Lalonde	for the Federation of St. Lawrence River Pilots; Corporation of the Lower St. Lawrence Pilots; Cor- poration of Montreal Harbour Pilots; Corporation of the Mid-St. Lawrence Pilots; Corporation of the St. Lawrence River and Seaway Pilots; Corporation of the Upper St. Lawrence Pilots
Mr. R. Langlois	for the Canadian Merchant Service Guild
Mr. J. Mahoney	for the Dominion Marine Association
Mr. A. Garon	for the Department of Public Works
Mr. R. R. Macgillivray	for the Department of Transport
Mr. H. P. Legg	Counsel for Crown Zeller- bach



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Ottawa, Ontario,
Tuesday,
September 22, 1964

---Upon commencing at 10.10 a.m.

MR. LALONDE: My lord, I stated the other day I would file a statement of five of the twenty-one pilots who had signed a petition bearing Exhibit No. 1322. I have obtained a photostat of these five statements and I would like, as suggested the other day, to annex them to the petition.

THE CHAIRMAN: All right.

THE SECRETARY: Is this being filed separately?

MR. LALONDE: To be annexed to Exhibit 1322.

---(Photostat copies of statements of five pilots referred to.)

MR. JACQUES: May I ask, my lord, who prepared the text?

MR. LALONDE: I was consulted with the context but it was not drafted by me.

MR. JACQUES: May we take it it was drafted by the Corporation?

MR. LALONDE: Yes. I must say, however, there was no pressure brought upon the people. The context was drafted after members who had signed came to the Corporation and said they were not sure it was such a good idea what they had done, and the secretary-treasurer prepared a draft, the Corporation prepared a draft about which it had called me, and then



1 members who had come were given that context.

2 MR. MACGILLIVRAY: My lord, I believe
3 yesterday when the witnesses from the Department of
4 Public Works were here, they passed over one question
5 to be answered by the Department of Transport, and it
6 was asked that Mr. Lang be here today to testify. Mr.
7 Lang is only recently out of the hospital. He is not
8 a well man. He is only working half days. His doctor
9 would not like him to be subjected to testifying in
10 this matter, and I wonder if I could be instructed
11 on the nature of the questions and the information
12 that is required and some person in the department
13 could be briefed on the matter and instructed to
14 appear.

15 I would like to add this, sir, if
16 I understand it correctly the department is being
17 asked to deal with a pilotage question on the matter
18 of this bridge.

19 THE CHAIRMAN: It was the question
20 that there was an interdepartmental committee of which
21 Mr. Lang was a member, and apparently they had two
22 meetings, and Mr. Lang was requested to obtain such
23 information, such further information, in order to
24 have a third meeting.

25 Eighteen months passed and the
26 committee has not reconvened and the information is not
27 forthcoming, so this is the situation of fact that
28 counsel and also Commission counsel would like to know
29 about.

30 MR. JACQUES: It is in connection



1 with the Fraser River railway bridge. In June, 1962,
2 after complaints were received from the Harbour
3 Commissioners for New Westminster, it was decided to
4 set up an interdepartmental committee formed by the
5 Department of Public Works and the Department of
6 Transport to look further into the matter of the
7 Fraser River railway bridge.

8 THE CHAIRMAN: We are interested in
9 the matter because it arose from a complaint of a
10 refusal of pilots to bring certain types of ships
11 past that bridge, so the interdepartmental committee
12 from the evidence we have received was convened in
13 order to find out whether this was reasonable or
14 unreasonable; founded or not founded. This is
15 really a pilotage matter and that is why we would like
16 to ask for that.

17 MR. MACGILLIVRAY: I have a feeling
18 my lord, my first inclination on this is that it is
19 really not a question of pilotage after all.

20 THE CHAIRMAN: I answered your
21 question before you put it.

22 MR. MACGILLIVRAY: Yes, but is the
23 departmental witness to be questioned on why no action
24 has been taken in connection with replacing this bridge?

25 THE CHAIRMAN: No, in regard to the
26 fate of that committee. Why was it stopped? Why
27 didn't they get any further into the mandate they
28 received, because really it was settling a pilotage
29 matter. Even though it was an interdepartmental
30 committee it was a pilotage matter to decide whether



1 this refusal of the pilots was founded or not.

2 MR. MACGILLIVRAY: Well, surely, sir,
3 I feel that to inquire why an interdepartmental com-
4 mittee has failed to act, as this appears to have done,
5 seems to me to be an improper line of inquiry for
6 this Commission. I think to ask ---

7 THE CHAIRMAN: Well, we are going
8 to report on the question of facts as to pilotage in
9 the Fraser River. This is the first part of our
10 mandate. Is it necessary that we have pilotage
11 there? Then we have the difficulty where the
12 experts say we can go no further. Is that right
13 or is it not right? This we have to find out, and if
14 we do not have expert advice to tell us whether the
15 complaints were founded -- maybe it is an abuse of
16 power on their part, and this is one of the very
17 questions we have to decide because the pilot is the
18 only expert and he can say anything and nobody can go
19 against it.

20 Here we have an organization that
21 decide
22 was set up just in order to ~~make~~ that. I would like
23 to know why it was silent and whether there was any
24 reason for that, and that is why it is linked very
25 closely with our Commission.

26 MR. MACGILLIVRAY: If that is
27 why the interdepartmental committee was set up, to
28 decide whether there was foundation for the pilots'
29 refusal to pilot, well, I would agree it is within
30 the terms of reference of the Commission. But if the
interdepartmental committee was set up to consider the



1 whole matter of what is to be done with this bridge,
2 and to take into consideration the effect on the
3 railways and navigation generally, I would have felt
4 that what happened to that committee would be outside
5 the terms of reference of the Commission.

6 THE CHAIRMAN: I would say then it
7 would be a borderline case.

8 MR. MACGILLIVRAY: It seems to me
9 that what really should be brought forward to the
10 Commission at this time is any information that the
11 Department of Transport or the Department of Public
12 Works had relating to the question of whether the
13 pilots are justified in refusing to pilot through that
14 bridge. This would be a proper way to inquire into
15 the matter.

16 THE CHAIRMAN: Possibly the depart-
17 ment has that. We don't know.

18 MR. JACQUES: If I may be permitted,
19 my lord ---

20 THE CHAIRMAN: Yes.

21 MR. JACQUES: In a memo which was
22 not filed before the Commission because it was con-
23 sidered privileged, but it was summed up for the
24 Commission, dated June 1st, 1962, the Department of
25 Transport had then expressed the view that the stand
26 taken by the pilots was not unreasonable. I use the
27 very word which was used yesterday. Therefore, this
28 is an expression of opinion on the part of the depart-
29 ment.

30 This interdepartmental committee was



1 set up with several aims, the first of which was to
2 determine the financial aspect of changes or removal
3 of the railway bridge. We were told by one of the
4 members of that committee, Mr. McLellan, that they had
5 two meetings, one in August, 1962, and a further one
6 in December, 1962.

7 Apparently at the meeting of August
8 1962 it was decided to obtain further information on
9 the traffic through the bridge, the importance of marine
10 traffic through the bridge, and this task was entrusted
11 to Mr. Lang.

12 We were told that Mr. Lang wrote --
13 we don't know exactly to whom he wrote. It was said
14 that a letter had been addressed to Crown Zellerbach.
15 Crown Zellerbach is here before the Commission, and they
16 say they never received such letter. They don't know
17 anything about it.

18 There is no indication that the
19 Department of Transport has requested information
20 from us with respect to the importance of the marine
21 traffic through the bridge, and the Commission, rightly
22 so, and Crown Zellerbach, and the pilots would like to
23 have some information to find out first whether a letter
24 was written, and if so, to whom it was written, and if
25 affirmative the information that was requested.

26 It appears at a meeting of December,
27 1962, Mr. Lang reported to the interdepartmental com-
28 mitte that the information was not available or was
29 not forthcoming. We don't know exactly what he reported,
30 but this whole matter sprang from a letter or the stand
taken by the pilots, and the Department of Public Works



1 and the Department of Transport were brought into the
2 matter in 1962 when they received a copy of a letter
3 addressed by the secretary of the New Westminster
4 Pilotage Authority to the port manager of the New
5 Westminster Harbour Commissioners. This was strictly
6 pilotage matters.

7 THE CHAIRMAN: I would say we have
8 most of the evidence now. We only have one link that
9 is missing.

10 MR. MACGILLIVRAY: I believe that
11 the department has not wanted to object to the pro-
12 cedures of the Royal Commission, but upon occasion it
13 does seem we are going a bit far afield. In looking
14 for reasons for government action or non-action, it
15 could be argued that pilotage would be made a lot
16 simpler by twinning the Welland Canal, but that would
17 not open the door to inquiry by this Royal Commission
18 as to the reasons for and against twinning the Welland
19 Canal.

20 THE CHAIRMAN: No.

21 MR. MACGILLIVRAY: It is just a
22 matter -- I think it seems to me to be a tendency to
23 go into matters here that are really not pilotage.
24 They are navigation, but surely not pilotage?

25 THE CHAIRMAN: Yes, I see what you
26 mean. I have been bothered by that myself since the
27 beginning of this investigation, at New Westminster
28 last year, but we have been told who can revise the
29 opinion of experts. Here we have an example of a
30 committee that was set up just to study that. We



1 would like to know why they failed and why nothing went
2 on. That is the aspect we are very much interested
3 in because this is the very question we have to answer,
4 the very essence of pilotage matters, because I think
5 in a district wherever there is difficulty if new
6 pilots come in and they haven't quite the experience
7 of the others, and say "well, we are not going to do
8 it," we are just going to bring pilotage down to
9 the qualifications of the less experienced pilot.
10 There won't be any expert service being given. I
11 feel there should be a check. There is a way of
12 verifying if a pilot gives a wrong order in an
13 accident. The judge and his assessors are going to
14 pass on this expert advice of that pilot whether it
15 was right or wrong.

16 Therefore I think when a policy is
17 taken like this one in New Westminster, who should
18 know how to give those affected by that policy, to
19 give them a remedy, and we have a case here of an
20 attempted remedy which apparently failed, so we would
21 like to know why.

22 MR. LEGG: May I state on behalf
23 of Crown Zellerbach that I can assure your lordship
24 and gentlemen of the Commission that my client checked
25 by Telex yesterday to ascertain whether there was any
26 correspondence at all from either the Department of
27 Public Works or the Department of Transport during
28 this period in 1962 -- we took it back as far as 1961
29 to the present day, and we were advised by Telex
30 yesterday after we reached the hotel that no such



1 correspondence existed in so far as this diligent
2 search could ascertain.

3 I am in this position: I was told by
4 my learned friend and I understood that Mr. Lang, if
5 he could be available, would be available today. I
6 am sorry indeed to hear that he is unfortunately too
7 sick to be here, but I had planned myself to leave
8 at midday today.

9 I wondered if we could try and
10 finalize this matter in some way. Surely the depart-
11 ment can ascertain in short order what correspondence
12 does exist so that I could get some instructions on
13 the matter this morning.

14 Further, I understand that Mr. Daly
15 was chairman of this interdepartmental committee, Mr.
16 Daly of the Public Works Department, and I had gathered
17 from my friend he might be here this morning. So again
18 we might be able to find out from him whether or not
19 there were inquiries made of Crown Zellerbach such as
20 Mr. McLellan mentioned yesterday.

21 MR. JACQUES: After my brief summary
22 of the facts as related before the Commission yesterday
23 towards the end of the testimony of Mr. Millar, we
24 suddenly found out that not only had there been a
25 DPW interdepartmental committee set up to look into
26 the matter, but there was also a DOT interdepart-
27 mental committee set up to look into the same matter.
28 What are we going to do being faced with that evidence?

29 THE CHAIRMAN: I think everything
30 has been said about it now and we will adjourn for a



1 few minutes and counsel can get together with DOT,
2 Capatain Slocombe, Mr. McLellan, and try to find out.

3
4 ---Short recess.

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1 ---Upon resuming.

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3 MR. JACQUES: With your permission,
4 my lord, I should like to call Mr. Simmons to the
5 stand. He is with Computing Devices of Canada.

6 THE CHAIRMAN: Before you do could
7 the Commission officially be posted as to what happened?

8 MR. JACQUES: As to what happened
9 officially? We had a lengthy discussion with counsel
10 for the Department of Transport and he has noted the
11 questions to which we should like answers. He is
12 now searching for competent witnesses to answer these
13 questions.

14 THE CHAIRMAN: I see. We under-
15 stand very well from the Department of Transport that
16 they were taken a little by surprise because they did
17 not expect this question. We would like to have the
18 answer as soon as possible, especially as Mr. Legg
19 wants to return to Vancouver. If he were from Ottawa
20 we would just postpone the question until next Monday.
21 In the event that they cannot find everything we will
22 have to find a compromise on that matter, because I
23 think you have had almost all that you wanted to
24 establish, Mr. Legg, and the Commission is well aware
25 now of the problem with regard to the evidence that
26 remains and could carry on. In any event, if it is
27 at all possible that we have it today we would be
28 pleased and it may go on.

29 MR. LEGG: Thank you, my lord.

30 MR. JACQUES: I should like to file



1 the brief of Computing Devices of Canada Limited as
2 Exhibit No. 1339.

3
4 ---EXHIBIT NO. 1339: Brief of Computing Devices
5 of Canada Limited.

6 MR. JACQUES: A copy of the brief
7 was sent to all those interested in pilotage and all
8 those who appeared before the Royal Commission. I
9 submit that the brief should be taken as the evidence
10 of Mr. Simmons without reading it into the record.

11
12 RONALD ERIC GEORGE SIMMONS, sworn

13 DIRECT EXAMINATION BY MR. JACQUES:

14 Q. Mr. Simmons, would you state your full
15 name, please?

16 A. Ronald Eric George Simmons.

17 Q. I take it you are in the employ of
18 Computing Devices of Canada Limited?

19 A. That is correct.

20 Q. Would you state briefly for the
21 Commission the experience you have had in marine matters?

22 A. Well, I went to sea in 1935 after
23 having been at Nautical College for two years. I
24 served in merchant ships and naval ships in command
25 and as first lieutenant and navigator until 1950 when
26 I came ashore. I was then engaged in the development,
27 sales and service of electronic equipment for use
28 in navigation. Five years ago I came to Canada to
29 do the same thing with Computing Devices.

30 Q. I see. Do you hold any certificates?



1 A. I have a master's certificate foreign-
2 going.

3 Q. Issued by the Board of Trade in
4 England?

5 A. That is right, yes -- Ministry of
6 Transport.

7 Q. Now, sir, we have read with interest
8 the brief that you have prepared on integrated naviga-
9 tion and traffic control for the St. Lawrence River
10 and I should like to ask you a few questions in order
11 to clarify certain matters.

12 If you will refer to your brief at
13 page 2, paragraph 6, you refer to movements on the
14 river. Would you explain what you mean by a movement?

15 A. Well, I had some difficulty in
16 establishing the number of ships which did actually go
17 up and down the river and I did visit their estab-
18 lishments and some of the recording stations.

19 Q. Recording stations?

20 A. Yes.

21 Q. What would they be?

22 A. The signal stations at St. Jeans,
23 Ile d'Orleans, and another one at Grondines. As
24 best as I could ascertain about 4500 ships had moved
25 up and down the river during that period, which was
26 the beginning of the season in March until about July.

27 Q. At a given point?

28 A. Yes.

29 Q. What would that point be? Would it
30 be St. Jeans or Grondines?



1 A. Well, I visited both and I tried to
2 get some sort of an average. There are no actual
3 figures published. They were very good to me and
4 allowed me to look through, and I discussed it with
5 the reporter, and it seemed that on an average about
6 45 ships passed that point each day. I think the
7 maximum at Grondines was about 80.

8 Q. Eighty in one day?

9 A. Yes.

10 Q. That would include all types of
11 vessels?

12 A. Oh, yes.

13 Q. Lakers, foreign-going ships, small
14 coastal vessels?

15 A. I do not ^{think it} included cabin cruisers and
16 such like.

17 Q. Would these movements include
18 moveages within harbours? Say, moveages in Montreal
19 harbour?

20 A. No.

21 Q. So they are river trips or river
22 movements?

23 A. Yes, they were only on the river.

24 Q. So in fact the number of movements
25 including moveages would be far more than the figure
26 which you quoted?

27 A. I do not say I could pass an opinion
28 on that because I do not know how far these ships went
29 up or down the river. They happened to pass a par-
30 ticular point but I do not know where they started from



1 or where they finished.

2 Q. And these particular points would be
3 St. Jeans and Grondines?

4 A. Yes.

5 Q. So you would not take into account
6 vessels coming out or going into the Seaway from a
7 dock in Montreal?

8 A. No, it would not include that, no,
9 only one could but assume that if the ship is a foreign
10 ship she must have come up the St. Lawrence at one time
11 or another.

12 Q. Now on page 3 at the very top of
13 the page you state, and I quote: "It is estimated by
14 1970 that the combined total of cargoes handled through
15 the St. Lawrence River would reach a total of . . ."
16 To whose estimation do you refer -- your own or that
17 of another public body?

18 A. That is my own estimation which I have
19 deduced from the graph which you will see on page 4.
20 The projection was made by myself, but the solid line
21 of the graph is plotted from information available
22 from the Seaway reports and also the Dominion Bureau of
23 Statistics.

24 Q. Would you turn to Figure 3, the
25 analysis of marine casualties in the St. Lawrence River?
26 For 1963 you give a breakdown of the casualties in the
27 Quebec pilotage area and only the totals for the
28 Montreal pilotage area and Montreal harbour. Do
29 you have the breakdown?

30 A. These were the only figures I had



1 available. I did not have a breakdown. In the
2 previous years between 1958 and 1962 there was a
3 breakdown available and I am pretty sure that these
4 were the figures I obtained from the Royal Commission.
5 I forget the number of the exhibit which you have,
6 but you obtained these figures from the Department
7 of Transport.

8 Q. The expression "pilotage area"; would
9 it be synonymous with "pilotage district"?

10 A. Yes.

11 COMMISSIONER SMITH: My lord, I would
12 like to ask the witness to help me find the submission,
13 if it is here -- this information that it is estimated
14 by you that the total amount of cargo which is probably
15 to be handled on the St. Lawrence will total 19 million
16 tons in 1970. Is there somewhere in this brief you
17 estimate the number of carriers that will be engaged
18 in carrying that 19 million tons?

19 THE WITNESS: No, sir; I was unable
20 to obtain these figures.

21 MR. LALONDE: My lord, may I inter-
22 ject here? Since Figure 3 was based on exhibits be-
23 fore this Commission I would like to state that these
24 exhibits have not been established as yet. They were
25 just filed in Montreal and have not been established
26 overall.

27 THE CHAIRMAN: Thank you.

28 MR. JACQUES:

29 Q. Would you turn to page 7, paragraph
30 12, where you state, and I quote: 'Without a system



1 of traffic control there exists a great danger that
2 some day two large ships may have a serious accident
3 resulting in a complete breakdown of traffic flow
4 upon the river for several weeks."

5 Were you in attendance when evidence
6 in that respect was given by an officer of the Depart-
7 ment of Transport?

8 A. No.

9 Q. You were not. Would you turn to
10 page 12, paragraph 1, of section 3, entitled "Waterway
11 Traffic Information Centre"? I should like you to
12 elaborate on the word "control" which you use in
13 that paragraph. What did you have in mind when you
14 used the word "control"?

15 A. I was not thinking of a rigid con-
16 trol of the traffic. It was an advisory type of
17 control such as is practised on the London River and
18 Liverpool and also Rotterdam. Information is passed
19 to these vessels concerning dangers or occurrences
20 ahead of them and any prudent master or pilot will
21 alter his movements or control his movements depending
22 on the information which he has received. That is
23 the way in which I wish to convey the term "control"
24 in this particular instance.

25 Q. And not, say, a direct order to a
26 ship, say, to anchor or to slow down or to turn about?

27 A. I suppose in emergencies this may
28 occur. If we have this hypothetical case where the
29 ship goes across the river, well, the control will
30 have to say that all ships should anchor as best they



1 can where it is safe to do so. But the final onus
2 on where the ship anchors is left with the master or
3 pilot on board the ship who actually appreciates the
4 conditions then prevailing.

5 Q. Would you turn to page 24, paragraph
6 3, where you refer to "automated unattended stations"
7 concerning weather information and current information?

8 A. Yes.

9 Q. Would you have any idea of the degree
10 of reliability of these stations and their possibili-
11 ties of failures?

12 A. Well, as far as the census for con-
13 ditions 1 to 5 is concerned -- which is wind direction,
14 air temperature, water temperature, water level and
15 current direction -- I would imagine that it would be
16 very reliable, or just as reliable as any electronic
17 equipment available to date. These things are becoming
18 more and more reliable with the introduction of new types
19 of components, transistors, solid state components
20 and also specially designed tubes. As far as visi-
21 bility is concerned there is equipment available on
22 the market that will detect fog, but I regret it is
23 not quite perfected and it may not meet immediately the
24 requirements which I have put forward in this brief.
25 But I feel quite sure that it would do in a matter of
26 only a few years -- maybe two or three years.

27 Q. Do you know where such equipment is
28 installed and in operation?

29 A. The fog detection?

30 Q. Yes, the fog detection.



1 A. Trinity House, who are responsible
2 for lighthouses and navigational aids in Britain, have
3 undertaken to fit, I believe, somewhere around ten of
4 these on the west coast of Wales, and they will be
5 operating fog signals automatically.

6 Q. And you have no report on their
7 efficiency at the moment?

8 A. I do not think they have completed
9 the installation as yet. There has been quite a lot
10 of teething trouble in these fog detectors, as you
11 might well imagine, and maybe they have not ironed them
12 all out. But they are gradually getting that way.
13 I think for Trinity House to undertake this programme
14 must indicate, or should indicate, that the equipment
15 is reasonably perfected.

16 Q. Would you turn to page 28, paragraph 4,
17 where you state that: "Responder beacons have been
18 developed but have not so far proved successful for
19 the identification of targets fitted with them."
20 Would you further elaborate that statement? Do you
21 know the reason?

22 A. To a certain extent I am surmising
23 in that Racon beacons were fitted to the tongue
24 light vessel and also St. Catharines lighthouse on
25 an experimental basis some years ago, probably in
26 the early 1950's, maybe even before.

27 -

28 -

29 -

30 -



1 They were then removed and a few
2 years later re-installed again. I believe that they
3 are no longer in use now. I can't but presume they
4 have not proved to be satisfactory, and there are
5 very few of the Racon beacons fitted in other places
6 throughout the world. They are not generally fitted.

7 Q. But you would not know the exact
8 reason for the removal?

9 A. I wouldn't like to say the exact
10 reason. There is a certain amount of paralysis of
11 course in the beacon because they are triggered by
12 other ships' radar, and you get a certain saturation
13 point.

14 Admittedly in the case of the Tongue
15 Lightvessel which is just north of the Straits of
16 Dover, there is a terrific amount of traffic, and
17 that might possibly be the reason for it. But traffic
18 around St. Catharines is not too dense, and that
19 Racon should have stood up to it and proved satis-
20 factory.

21 Q. Also with respect to the microwave
22 beacons which you describe at length in section 7, I
23 believe, would you tell us whether it would be possible,
24 say, in an area from Coudre Island to Orleans Island
25 to have a double lane system, one lane, one microwave
26 beacon for upbound ships and another one in the opposite
27 direction for downbound ships?

28 A. That is the long dredged channel
29 which passes down the side of the Coudre Island,
30 eastern side.



1 Q. Below that. Not in the dredged
2 channel, but after you come out of the dredged channel
3 there is a stretch of water, fairly wide, up to Ile aux
4 Coudres in the area where the TRITONICA sank?

5 A. Yes.

6 Q. Let me be a little more precise.

7 THE CHAIRMAN: Show him the chart.

8 MR. JACQUES:

9 Q. Is there anything which would make
10 the system unworkable if it had two microwave beacons
11 in reverse direction and close to one another?

12 A. They might possibly interfere with
13 one another. There is a possibility.

14 Q. There is a possibility that they
15 might?

16 A. But you must remember that these
17 microwave beacons that I have referred to have not
18 been developed too extensively. Although they were
19 first invented somewhere around 1947, and they have
20 been evaluated, the evaluation has not taken them
21 any further. And naturally no further development
22 has been carried out to see if this would be practical.

23 Q. Would you know why no further
24 research or development was made?

25 A. I think there has been a certain lack
26 of interest. Two beacons were installed in the
27 entrance to Halifax Harbour by the National Research
28 Council of Canada somewhere around 1952. The NRC
29 operated these beacons for about a year, I believe.
30 They provided the local pilots with suitable receiving



1 equipment, and an evaluation was carried out.

2 I believe it was found to be so use-
3 ful, and I think that is about as far as they got.

4 Q. You wouldn't know why it was dropped
5 subsequently?

6 A. I know it was dropped because NRC
7 has not got a mandate for providing navigational
8 aids, and they got to the stage where they felt their
9 mandate ended.

10 Q. Now, sir, I show you Chart 1207,
11 Exhibit 440, which is a chart for Goose Cape to Grosse
12 Ile. In the area west of Coudre Island towards
13 Cap Gribane, do you think it would be possible to have
14 a double lane system fitted with microwave beacons?

15 A. I don't think so, not at this stage,
16 but you could have a single beacon there and the beacon
17 will indicate to you quite clearly whether you are on one
18 side or the other of the centre line.

19 Q. It would have to be used by both
20 vessels, one going upriver and the other going down-
21 river?

22 A. Yes, that would be quite practicable.
23 The microwave beacon operates in a very similar manner
24 to ordinary leading lights or even sector lights, so
25 that on this side of the channel, for instance, you
26 would be receiving A's, and on that side of the channel
27 you would be receiving N's.

28 MR. JACQUES: Thank you.
29
30



1 CROSS-EXAMINATION BY MR. LALONDE:

2 Q. I would like to refer you to page 3
3 of your brief, Mr. Simmons, paragraph 9, where you say
4 "that the great majority of collisions occur well
5 within pilotage waters". You say this as an estab-
6 lished fact. I was wondering whether you had taken
7 notice of the report of the latest Eastbourne
8 Conference to which you refer later on in your brief.

9 I understand in that report, the
10 Eastbourne Conference of May 23-24, 1963, there is
11 a report to the effect that 63 per cent of the acci-
12 dents occur in pilotage waters in the world. Did
13 you read that particular part?

14 A. Yes.

15 Q. Is that a correct recollection of
16 what was in the report, do you remember?

17 A. Yes, I have read it. I presume
18 the figure is 63 per cent if you say so.

19 Q. In paragraph 10 you state that there
20 is in the St. Lawrence River a steady rate of casual-
21 ties on the basis of accidents which were provided to
22 you, I understand?

23 A. Yes.

24 Q. However, is it not a fact that
25 between 1958 and 1963 you had an increase in the number
26 of ships plying the St. Lawrence River between the
27 Gulf and Montreal in these two areas which you were
28 concerned with?

29 A. Yes.

30 Q. While the number of accidents, which



1 was 110 in 1958 went up to 111 in 1963?

2 A. Very consistent.

3 Q. I understand the rate of casualties
4 in connection with the number of ships has suffered
5 some kind of decrease rather than being steady?

6 A. Proportionately, that is possible.
7 Although, are you sure that the number of ships has
8 increased? It is difficult to get absolute statistics
9 on this matter, and it has been proved -- I cannot give
10 you exact figures at the moment -- that although the
11 tonnage, the net tonnage, of ships handled in the
12 ports of the world is increasing at a pretty high
13 rate, the number of ships is not increasing in the
14 same proportion.

15 Q. Yes, that is quite correct.

16 A. The reason is that the ships are
17 getting bigger.

18 Q. Quite true. But did you check those
19 whether
20 areas ~~in~~ the number of ships had been steady or
had decreased in the St. Lawrence River?

21 A. No, I haven't.

22 Q. I refer you to shipping reports
23 published by the Dominion Bureau of Statistics. It
24 shows at the Port of Montreal, for instance, in 1958,
25 including both deep sea and coastal navigation, you had
26 a decrease. You had 14,921 total ships versus
27 12,305 in 1961.

28 A. You are actually decreasing the number
29 of ships although the tonnage is coming up.

30 Q. And the same would apply to the Port



1 of Quebec. You would have 5,881 versus 5,285 in
2 1961, the biggest decrease being coastal navigation
3 where small lakers have been abandoned while the
4 number of deep sea ships have somewhat increased?

5 A. Yes. That would indicate then that
6 the incidence of casualties is rising instead of de-
7 creasing then.

8 Q. So that proportionately indeed the
9 number of accidents as a rate would have somewhat
10 increased in view of the number of ships?

11 A. Yes.

12 Q. Now, if you look at page 11, paragraph
13 2, you refer to what you call I think Waterway and
14 Harbour Authorities. I don't know how deep you went
15 into this matter, but you say that there should be an
16 Authority established to coordinate all the various
17 interests in the river and to operate Traffic Infor-
18 mation Centre.

19 Have you gone into this matter very
20 much just to know, for instance, what relation there
21 should be with Ship Channel Division and Department
22 of Public Works?

23 A. No, I haven't gone into this at all.
24 If you refer to the earlier paragraphs, the presentation
25 of this brief, it does not refer to the traffic systems
26 specifically for use on the St. Lawrence River. I
27 have used the St. Lawrence River as an example in
28 order to put together all the various suggestions and
29 try to make them hang together rather than to describe
30 a system which would refer particularly to the St.



1 Lawrence River.

2 Q. Yes. I am not asking my questions
3 specifically either in connection with the St. Lawrence
4 River. You are just mentioning it there?

5 A. Yes.

6 Q. What I was wondering, whether you
7 had studied the idea of coordinating all these
8 bodies and people having to do somewhat with the river.
9 I understand there are quite a lot from what we have
10 heard before this Commission up to now.

11 A. It has entered my mind there might
12 be some difficulties, of course, but I purposely dis-
13 missed those.

14 Q. Very well put indeed. In paragraph
15 3 you refer to a bill before the House of Commons.
16 Do you have a copy of this bill?

17 A. No, I am afraid I have not. This
18 is hearsay, which I believe is not a good thing to
19 use in court.

20 MR. JACQUES: We are securing a
21 copy of that bill.

22 THE WITNESS: You have found out
23 about it, have you?

24 MR. JACQUES: Yes.

25 THE WITNESS: I had this from
26 Mr. Richardson of the Port of London Authority who
27 told me there was a bill apparently going through the
28 House of Commons last June, which would put a little
29 bit more power in the hands of harbour authorities;
30 that they could control, if you like, or have a little



1 bit stronger control of traffic within the harbours.

2 MR. JACQUES: It should be of
3 interest to state this bill provides also for rule-
4 making procedures somewhat similar to the rule-making
5 procedure which obtains in the USA.

6 THE SECRETARY: To supplement infor-
7 mation given by the Commission counsel in connection
8 with the British bill to which my learned friend made
9 reference, it is my information that it is law in the
10 United Kingdom. It was passed in the last Parliament.

11 MR. LALONDE:

12 Q. I would like to refer to paragraph 1
13 of page 18. You state the harbour masters of Montreal
14 and Quebec have local VHF facilities. I am instructed
15 that at least in the Quebec harbour there are no
16 VHF facilities for the harbour master. I may be
17 wrong. Did you investigate that yourself?

18 A. I was under the impression that he
19 had recently acquired VHF facilities, but I may very
20 well be wrong. I haven't carried out a very deep
21 study of the problem of the St. Lawrence.

22 Q. You left out for the purpose of your
23 study the Saguenay River? For all practical purposes
24 your study did not refer to that area. Is there any
25 particular reason or is it just for the purpose of the
26 study or did you find, for instance ---

27 A. For the purpose of the study I thought
28 perhaps I knew a little more of that area than any
29 other.

30 Q. When you say at the bottom of page 22,



1 paragraph 11, "Following the practice generally
2 adopted in Air Traffic Control all VHF communications
3 to and from ships shall be recorded on tape" does
4 that include communications between ships? Would
5 these get recorded also?

6 A. No, this wouldn't -- it is possible,
7 but I don't think it would be practical. There would
8 be too many channels to cover.

9 Q. Everywhere in your brief when you
10 refer to "control" you would then give the same answer
11 as the one you have given to Mr. Jacques?

12 A. Yes.

13 Q. That is, that the purpose of all that
14 equipment is not to navigate ships from shore but to
15 provide them with information really; is that correct?

16 A. Navigation of each ship is within
17 the hands of the master and/or pilot on board that
18 particular ship. He has the final say.

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1 Q. Now I would like to refer to
2 Conclusion No. 10, page 67. You state that the
3 supply of continuous and up-to-date advice concerning
4 traffic, weather and navigational aids to ships
5 entering certain pilotage waters may tend to limit
6 compulsory pilotage to those masters not familiar
7 with the area, or whose ships are above a certain
8 size.

9 Do you know of any area where the
10 installation of the type of equipment such as described
11 has resulted in such a decrease in the use of pilots?

12 A. No, I do not.

13
14 CROSS-EXAMINATION BY MR. BRISSET:

15 Q. Mr. Simmons, would you refer to
16 page 12 of the brief where you speak of the "waterway
17 traffic information centre" situated at some strategic
18 position on the river, possibly at Three Rivers with
19 a trained staff of ex-mariners or pilots who will be
20 in constant touch with all ships between Montreal and
21 Les Escoumains through a system of VHF radiotelephones
22 linked by landlines to the centre?

23 In order for control or communica-
24 tion to be effective will there have to be some
25 regulation curtailing the use of this means of com-
26 munication for, say, commercial purposes or private
27 purposes?

28 A. There are already in existence certain
29 frequencies in the VHF band which are allocated to
30 specific purposes such as ship to shore communications



1 for pilotage facilities. In fact there is a pilotage
2 frequency in Canada, certainly in Eastern Canada.
3 You have other frequencies allocated for communication
4 from ship to ship and you have other VHF frequencies
5 allocated for public communications channels, so that
6 a ship can be linked in through the public telephone
7 system and he can then talk to his agent if he wants
8 to on a private matter.

9 So there should be no requirement
10 for any special legislation to bring this into force.
11 This already exists. The frequencies are there.
12 They are allocated; they are available and they are
13 even used today.

14 Q. If the central office or the infor-
15 mation centre wants to communicate with a particular
16 ship, what would be the procedure followed?

17 A. There is a calling frequency which
18 is -- I think it is channel 16, 156.8 metacycles.
19 He calls the name of that particular ship on that
20 frequency and the ship will come back and he will then
21 tell him to switch to another frequency where they can
22 converse, so that the calling frequency, which is also
23 the distress frequency, is always reasonably clear of
24 traffic.

25 Q. If there is a communication to be
26 passed on to all traffic within a certain area what
27 would be the procedure followed then?

28 A. You might possibly use 156.8 or
29 you could adopt the procedure which the Seaway has
30 adopted. They have two frequencies, 156.6 and 156.7.



1 I believe that they use that as the calling frequency
2 as well. They do not use 156.8 as a calling fre-
3 quency. I am not too sure about it. That seems to
4 be a shortcut. It is expedient and probably very
5 practical.

6 Q. You foresee no difficulty under
7 your proposed waterway traffic information centre
8 system in establishing and keeping communication be-
9 tween the centre and the ships?

10 A. No, I do not think so. There are
11 difficulties at present, I believe. There are cer-
12 tain conditions below Quebec which make radio communi-
13 cation very difficult. I do not know exactly what it
14 is due to but it seems to be due to the terrain around
15 there which absorbs radio frequency more or less like
16 blotting paper. By introducing more radio stations,
17 transmitters in that area, we will probably be able
18 to overcome the difficulty experienced there now.

19 Q. In other words, the difficulties
20 now experienced could be solved by more stations or
21 satellites along the way?

22 A. I think so. I am not a radio
23 engineer and I would hate to commit myself on that point,
24 but I believe that is the case.

25 Q. Would you pass on to page 24, para-
26 graph 3, where you state: "It is proposed therefore
27 that a number of automated unattended stations
28 should provide on demand to WATIC and the harbour
29 control nearest to it the following information" --
30 and then the last item is "visibility"? Can you



1 possibly tell us what would be the guide to select
2 the positions of these stations along the river,
3 keeping in mind the visibility problem particularly?

4 A. Well, I have selected some positions
5 on this plan on page 26, Figure 8. I do not say
6 that these are absolute positions. This is my opinion.
7 But I think that the general standard should be that
8 visibility will affect ships in the narrower parts
9 of the river where the current is also the faster
10 and possibly also where you have dense traffic.

11 Q. That is what I was driving at.
12 My question may not have been put quite correctly.
13 The guide or the selection of the position of the
14 stations would be the peculiarities of the channel
15 either because of density of traffic or narrowness
16 of the channel itself; is that correct?

17 A. That is correct, or any other special
18 hazards that might make it a difficulty.

19 Q. I understand that there is a peculiar-
20 ity in the St. Lawrence River with respect to fog in
21 that you may have fog patches that may develop quite
22 quickly and disappear quite quickly over a rather
23 limited area. Would the stations that are proposed
24 in your brief take care of such a situation?

25 A. It would not take care of visibility
26 throughout the river. We would station them at cer-
27 tain strategic positions, but these stations will
28 detect fog at a distance. There are some fog detec-
29 tion units available now which are more or less per-
30 fected, as I have said earlier, and I believe in fact



1 they specified they will detect fog at some considerable
2 distance away -- anything up to about six miles. So
3 it is possible to mount a fog-detection unit on a
4 headland and detect a bank of fog which might be out
5 at sea although the fog-detection unit is sitting
6 in brilliant sunshine.

7 Q. To give a complete example let us
8 assume that your fog detection unit is located in
9 the vicinity of Ile aux Coudres. If there is fog,
10 say, below or above Ile aux Coudres even though the
11 passage at Ile aux Coudres might be quite clear the
12 unit would report that fog whether it is below or
13 whether it is above -- if it is within a reasonable
14 distance, of course?

15 A. Yes. I think one would probably
16 have one fog detector on top of Ile aux Coudres some-
17 where. If it is directional then it would differen-
18 tiate between one side or the other. On the other
19 hand there are some omni-directional fog detection
20 units being developed now, in which case it would
21 say if there is fog in the vicinity of Ile aux Coudres.
22 It would not tell you exactly where?

23 I do not think it is too material
24 that you should ~~know~~ exactly where the fog is. The
25 controller wants to know what the incidence of fog is.
26 If it is foggy around Ile aux Coudres then he is
27 warned. But the ships who are actually navigating
28 there, they will know jolly well whether they are in
29 fog or not.

30 Q. In other words, the system is really



1 a system that will warn shipping of the possibility
2 of fog in a certain spot?

3 A. Well, that fog detection unit will
4 tell them that there is fog within the vicinity of
5 Ile aux Coudres but for instance we have also advocated
6 the use of wet and dry valve thermometers. If you
7 happen to know the dew point and also the sea water
8 temperature you can then deduce the possibility of
9 fog forming. You can say there is a very good chance
10 that fog will be forming in a short time around Ile
11 aux Coudres.

12 Mind you, some odd air current might
13 go down and change the conditions very suddenly and
14 there would not be any fog.

15 Q. Of course, the ship that is there
16 will know what the conditions are. It is the purpose
17 of the detecting station just to warn ahead of time
18 of what he is likely to encounter?

19 A. That is correct.

20 Q. Will you refer to page 27, section 6,
21 Figure 5, where you say: "Current affects the movements
22 of ships and dependent on its direction in a tidal
23 river it also controls the establishment of the giving-
24 way vessel (the vessel going with the tide is usually
25 the standing-on vessel)."

26 I am not quite sure if I understand
27 what you mean there. Could you possibly amplify?

28 Q. I am not absolutely positive of this
29 because I am not too familiar with navigation on the
30 St. Lawrence River and the bylaws, but I believe the



1 vessel which is proceeding with the current -- in
2 other words, the current on the St. Lawrence is
3 normally going from Montreal to Quebec, and if he is
4 going down with the current he is going at a faster
5 speed over ground than his engines are turning, and
6 also the vessel is slightly unmanageable. The
7 vessel which is going in the opposite direction can
8 actually have his engines turning and he is bucking
9 the tide, and he will be stationary over the ground.
10 He has very much better control over the movement of
11 his ship. So that is the reason why this rule has
12 been introduced.

13 Q. That is what I wanted to clear
14 actually. Is that something which you are recommend-
15 ing or are you speaking of what you understand the
16 position to be now?

17 A. I believe that that rule exists now,
18 but the St. Lawrence River between Three Rivers and
19 Quebec is tidal so that the current or the tide some-
20 times goes up the river. In actual fact you can be
21 coming up the river with the tide under your stern.
22 So a current meter would then be able to indicate
23 to the traffic controller which is the ship experiencing
24 the greatest difficulty in manoeuvring and he should
25 then advise, if he knows the two vessels are going to
26 approach, let us say Grondines or thereabouts and he
27 wants to hold one ship back; he will know which one
28 to hold -- in other words, the one which is stemming
29 the tide or the current.

30 Q. This is the manner in which you



1 visualize what control will be exercised in a meeting
2 situation like the one you have just described?

3 A. Yes. It is not so much control.
4 "Regulation" might be a more acceptable word.

5 Q. All right. I might mention to you,
6 if I may be permitted to do so, that at the moment
7 the International Rules of the Road apply below
8 Montreal and therefore there is no rule favouring
9 one vessel compared with the other except where you
10 have a very narrow or dangerous spot where the right
11 of way is given to the one having the current with her?

12 A. Yes.

13 Q. Will you pass on to page 31? This
14 is in Section 7, paragraph 12, where you say: "The
15 fixed reference given by the beacon's main beam would
16 be so adjusted that it would lie along a predetermined
17 course on the river in exactly the same manner as
18 leading lights or range lights."

19 A few minutes ago commenting on this
20 you stated that just as the leading lights when they
21 are in line, the beacon's main beam would indicate
22 the centre of the channel. Have I understood you
23 correctly?

24 A. Yes

25 Q. Would you agree that in order for
26 this to be useful there would have to be regulations
27 or rules established to indicate or to enact where
28 the centre of the channel is -- that it is on the
29 line where the leading lights are in line or where
30 the beacon's main beam is?



1 A. Leading lights usually give you a
2 very precise centre line. A microwave beacon does
3 not give you quite such a narrow beam, so there would
4 be a slight overlap. But it is envisaged that the
5 microwave beacon would be mounted preferably on one
6 of the towers for the leading lights so that the
7 microwave -- at least, the main beam, as I have called
8 it, would overlap the line of the leading lights so
9 they would be mounted one over the top of the other.
10 So in thick weather you would use your microwave
11 beacon and in clear weather you would use the leading
12 lights.

13 Q. Would you think it useful that with
14 this system established the charts which would be
15 issued should not only indicate the leading lights
16 but also the line of the beacon's main beam? Would
17 you not think it advisable to have these charts
18 indicate that this is the centre of the navigable
19 channel?

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1 A. Yes, but it would indicate the line
2 along which the equi-signal is heard. I mean the
3 channels which you have at the St. Lawrence are not
4 dead straight lines. They do curve to a certain
5 extent, and these leading lights are laid to give
6 the best assistance possible to the navigator.

7 I cannot think of a particular instance,
8 not being too familiar with the river -- I am quite sure
9 there are certain places where leading lights are not
10 flat bang in the middle of the channel. They try to
11 get them there as near as possible.

12 Q. I am raising this point with you
13 because we have had evidence before this Commission
14 regarding this very point, where does lie the centre
15 of the channel, and there appears to be disagreement
16 between the pilots. For instance, we have heard it
17 said that if the channel widens on one side in a cer-
18 tain spot, then the centre of the channel moves with
19 the widening, with the result that ships have to zig-
20 zag in order to keep to the centre of the channel?

21 A. Yes, I see what you mean now. I
22 don't know what the rules are, and I don't think it is
23 the purpose of this brief -- my own opinion would be
24 if you have leading lights which go down a channel,
25 providing it is safe to keep on the bearing of that
26 leading light, I would imagine it would indicate the
27 centre of the channel, or the one to be maintained.

28 Q. Otherwise you would agree with me,
29 would you not, that it would be highly dangerous
30 to have two ships travelling in opposite directions



1 with different views as to where the centre line lies?

2 A. Yes, very dangerous indeed.

3 MR. LALONDE: My friend referred
4 to disagreement by pilots about the centre line of the
5 channel. This is the first time I have heard about
6 that. I don't think it was brought out, but if he
7 has evidence to that effect I would like him to put
8 it before the Commission.

9 THE CHAIRMAN: Mr. Simmons, we are
10 going to interrupt your testimony as we have other
11 witnesses that we promised to hear right away. We
12 will resume your testimony later on. We will
13 continue this afternoon with you. You will be
14 called at two-thirty this afternoon.

15
16 C. J. DALEY, sworn

17 CROSS-EXAMINATION BY MR. LEGG:

18 Q. Mr. Daley, my lord, my name is Legg
19 and I am counsel for Crown Zellerbach of Canada Limited.
20 Certain witnesses gave evidence yesterday, one Mr.
21 Millar, who I believe is here today; another was Mr.
22 McLellan. Both were members of the Department of
23 Public Works, and you know those gentlemen, do you
24 not?

25 A. I do, sir.

26 Q. During the course of their testimony
27 they made reference to a joint committee of the
28 Department of Public Works and of Transport. I believe
29 it was Mr. Millar who said that you had taken over
30 the duties of chairman of that committee from Dr. Weekes;



1 is that correct, sir?

2 A. That is substantially. Merely in
3 the sense that I inherited that in taking over his
4 job, yes.

5 Q. Can you tell us what you understood
6 the purpose of that committee to be, that is the inter-
7 departmental committee of which you took over the
8 chairmanship?

9 A. Yes. Would it be relevant to read
10 from the letter which set up the committee?

11 Q. If you would prefer to do it that
12 way.

13 A. There is a letter from our Deputy
14 Minister to the Minister of Transport.

15 Q. What is the date of that, sir?

16 A. June 7, 1962.

17 Q. June 7, 1962?

18 A. Yes.

19 Q. You are reading from that letter now?

20 A. That is right. "Before considering
21 alterations in the swing span of the bridge, I feel
22 we must first establish the need for the larger boats
23 to navigate above the bridge. With this in mind I
24 am having our economic studies and Harbours and Rivers
25 Branch form a committee to undertake a study of the
26 economic need for deep sea navigation above the
27 bridge, and the costs of the necessary improvements to
28 the channel and of maintenance dredging."

29 That is an excerpt.

30 Q. That is not the entire letter?



1 A. No.

2 Q. Does that in your view describe the
3 beginning of the committee?

4 A. Yes, indeed.

5 Q. Had that letter come about by reason
6 of certain submissions regarding restrictions upon
7 the bridge placed there by, in effect, the pilots of
8 the New Westminster Pilotage Authority?

9 A. That is so, sir.

10 Q. Are you familiar with a letter
11 dated April 17, 1962, written by the New Westminster
12 Pilotage Authority to Captain J. E. Clayton, Port
13 Manager of the New Westminster Harbour Commissioners,
14 copy of which has been filed as Exhibit 186 before
15 this Commission and which I now show you?

16 A. Yes.

17 Q. Is it that document that more or
18 less set out the restrictions upon the navigating of
19 the river through the railway bridge which led to the
20 formation of this interdepartmental committee?

21 A. Substantially. At least it would
22 be a factor.

23 Q. It would be a very large factor?

24 A. I would think so.

25 Q. Can you also tell the Commission on
26 how many occasions that committee has met?

27 A. Yes, sir. It met on the 16th of
28 August, 1962.

29 Q. Yes?

30 A. And again on the 4th of December of



1 1962.

2 Q. Do you agree that this membership
3 when it was first constituted was Dr. Weekes, Mr.
4 McLellan and Mr. Lang?

5 A. Those were members, yes.

6 Q. Were there other members in addition
7 to those gentlemen?

8 A. Whether or not they can be considered
9 members, there were at least at the third meeting
10 myself and Mr. Darling of Transport.

11 Q. You were also at the first meeting of
12 this committee?

13 A. I was at the meeting. I was cer-
14 tainly not a formal member of the committee.

15 Q. And Mr. Darling of Transport was also
16 there?

17 A. He was there at the first meeting.

18 Q. Were there any other persons present
19 at the first meeting?

20 A. No.

21 Q. So the first meeting was of six people,
22 was it?

23 A. Five.

24 Q. Did that group ever meet again after
25 the 4th of December, 1962 -- correction, did that group
26 meet again on the 4th of December, 1962?

27 A. Yes. Now, people are here -- it may
28 not have been quite the same. I don't have that
29 immediate record, but it was substantially a meeting
30 of them, yes.



1 Q. On the occasion of the first meeting
2 on the 16th of August, 1962, was any particular member
3 of that committee charged with the duty of making
4 inquiries regarding the navigating of the Fraser River
5 bridge, that is Fraser River beyond the railway bridge
6 by deep sea vessels?

7 I should tell you in case you are
8 not aware, Mr. Daley, that it was suggested yesterday
9 by Mr. McLellan that Mr. Lang was charged with making
10 certain inquiries in that connection.

11 A. This is, I think, substantially true.
12 I wouldn't say necessarily that Mr. Lang was the only
13 person. We didn't have verbatim records of a com-
14 pletely informal working group which is what this
15 committee is.

16 Q. In any event it was agreed at the
17 first meeting that committee members should ascertain
18 what the pattern of traffic was above the Fraser
19 River bridge?

20 A. I think this is not unfair as a
21 description, more or less.

22 Q. I am trying -- you were present?

23 A. Yes.

24 Q. I am trying to understand exactly what
25 was understood by the members of the committee.

26 A. Undoubtedly this is so.

27 Q. This is so?

28 A. Substantially.

29 Q. Were any inquiries made by any members
30 of this committee into that subject matter? That is,



1 sailing of ships beyond the Fraser River bridge to
2 places like Fraser Mills?

3 A. To the best of my knowledge there
4 were contacts, not by myself, but there were some
5 contacts with the New Westminster Harbour Commissioners.

6 Q. Yes. By whom in the Department of
7 Public Works, or do you know?

8 A. No, I don't know. It was not myself,
9 I know that.

10 Q. Apparently it was not Mr. McLellan
11 and it was not Mr. Millar. Was it Mr. Weekes?

12 A. It is possible. I think it would
13 be recorded if it were so. I should imagine it
14 probably was not.

15 Q. There is no record then in the
16 Department of Public Works of any such contact being
17 made? There is no document that reveals that?

18 A. I haven't been through the files on
19 this. I heard about this this morning at another
20 meeting at 9.45, and got out about 10.15, and I have
21 come here with my own notes from the Branch only.
22 I wouldn't say flatly there isn't a record in Public
23 Works.

24 Q. Would you like to check your files
25 first?

26 A. Yes.

27 Q. Possibly at a convenient time you
28 could do that, sir?

29 A. Yes.

30 Q. Was there any discussion of the



1 results of any such inquiries at the meeting of the
2 4th of December, 1962?

3 A. No, I was not at the meeting of
4 December 4th, but rough notes would suggest that at
5 that time, that is to say three months later, three
6 and a half months later, the committee was
7 expecting to get information from the Commissioners.

8 Q. Harbour Commissioners?

9 A. New Westminster Harbour Commissioners.

10 Q. Yes?

11 A. And I think that that is about the
12 result of that meeting; it was a full discussion of
13 what had been -- the status of things at that date.

14 Q. Did that committee meet on any further
15 occasions after the 4th of December, 1962, to the
16 present day?

17 A. Formally I don't have any record
18 of a meeting, but this does not mean there could not
19 have been conversations, as there normally is in these
20 matters.

21 Q. Did the committee as a group meet
22 for any further discussion from the 4th of December,
23 1962, to the present day?

24 A. There is nothing in my files in the
25 Branch to say that it did, but it wouldn't be correct
26 to infer that this is necessarily true, that there
27 was no meeting held. I might have been on holiday
28 or something.

29 Q. Now, the question I ask you is I
30 think fairly direct. Do you know of any meeting of



1 the members of this group, and I am talking now of the
2 five people you have mentioned, namely Dr. Weekes, Mr.
3 McLellan, Mr. Lang, yourself, and the fifth gentleman
4 whose name you mentioned, Mr. Darling?

5 A. No, not of this group. Not of that
6 group that you mentioned.

7 Q. Now, let's take the subject matter
8 with which this group was charged to investigate.
9 That is, the economic need for deep sea navigation
10 above the bridge. Was that investigated by any
11 member of your department or any group in your depart-
12 ment subsequent to the 4th of December, 1962?

13 A. Not as such to my knowledge. I
14 should add if I may by way of explanation that we
15 were aware obviously of the formation of this Royal
16 Commission and we were aware that there would probably
17 be a presentation made to it by the New Westminster
18 Harbour Commissioners.

19 Q. Yes?

20 A. This was made, I believe, in March,
21 1963.

22 Q. That is, the members of this committee
23 became aware of the submission made by the New West-
24 minster Harbour Commissioners in March, 1963?

25 A. Yes, we were aware this was being
26 done. There was going to be one. Therefore I
27 expect that prior to the period that I took over the
28 Branch in March or April of 1963, that the expectation
29 was that there would be matter in that presentation
30 which would bear upon the requirements for navigation,
for deep sea navigation above the bridge.



1 Q. Yes. Did the committee also become
2 aware of a submission filed on behalf of Crown
3 Zellerbach of Canada Limited?

4 A. Certainly I have heard this mentioned.

5 Q. Did the committee become aware of the
6 statistics filed in connection with that submission
7 on deep sea vessels sailing beyond the Fraser River
8 bridge?

9 A. Not in my presence.

10 Q. This was never discussed?

11 A. Not by me.

12 Q. Did the committee study any of the
13 transcript of evidence given at the New Westminster
14 hearings of this Royal Commission?

15 A. Once again not by myself.

16 Q. Has there been or would you agree
17 with this, Mr. Daley, there has been no study made
18 of the evidence given before this Commission by any
19 member of the Department of Public Works?

20 A. As a study, no, but let me add ---

21 Q. Yes?

22 A. That the view has been since the time
23 the New Westminster Harbour Commissioners made their
24 presentation we obviously have to go through all of
25 the presentations when the Commission completed its
26 work.



1 Our intention has been that when the
2 Commission did complete its work then that should be
3 taken very much into consideration obviously.

4 Q. It was given in evidence yesterday
5 that the view of the Department of Public Works was
6 that the pilots were reasonable in setting the re-
7 strictions they had set in regard to the use of the
8 Fraser River bridge by deep sea navigation. Does
9 that accord with your understanding?

10 A. Well, certainly I cannot speak for
11 the department. My own reaction is that the naviga-
12 tion of the bridge has become more of a problem since
13 1957 or thereabouts -- perhaps 1958 -- when bridge
14 aft ships began to appear in numbers.

15 Q. Of greater length and greater numbers?

16 A. Precisely.

17 Q. So the navigation problem has in-
18 creased since that year?

19 A. Yes. I do not think this could be
20 questioned. This would be my view.

21 Q. Is it the view therefore of the
22 department and is it also your view -- or as I put it
23 more fairly; is it your view that this bridge con-
24 stitutes some hazard to navigation?

25 A. I would not immediately agree with
26 this. I would say it should be looked at exceedingly
27 carefully -- and something presumably along that line
28 will come out of the Royal Commission's findings.

29 Q. Has this committee charged with the
30 responsibility of looking into the economic need for



1 deep sea navigation examined the restrictions placed
2 upon the bridge by the pilots in any detail?

3 A. Recently, no. We were aware of it
4 when we were put on it, namely in 1962. If there
5 have been changes since then ---

6 Q. You realize there are certain pro-
7 hibitions, complete prohibitions, for vessels naviga-
8 ting through the bridge?

9 A. I understand there are.

10 Q. That would suggest a hazard, would
11 it not?

12 A. Yes.

13 Q. If the view of the department is that
14 that is a reasonable restriction it is an acknowledge-
15 ment and recognition of the hazard?

16 A. Once again, the department's view
17 I cannot speak for.

18 Q. I am asking for your own view.

19 A. Certainly it suggests that, yes.

20 Q. There was a reference made yesterday
21 by Mr. Millar almost at the close of his testimony to
22 a certain committee, and I give you a paraphrase of
23 what I understood him to say as to how that committee
24 was instituted. He described it as a committee of
25 the Department of Transport, but it was also an
26 interdepartmental committee which had been set up to
27 make some study of this bridge arising out of the
28 subjects we have just been discussing, namely the
29 navigational problems imposed by the bridge on shipping
30 using the Fraser River. Can you tell us anything about



1 that committee?

2 A. You mean a second committee -- another
3 committee?

4 Q. A second committee. You may not know
5 about it and that may be the simple answer to it.

6 A. I have not been on it.

7 Q. You have not been on it, all right.

8 A. This would be quite normal, however,
9 for an economist so far as the technical problems go.
10 I mean to say, the question of navigation, I would not
11 necessarily be interested in it at all.

12 Q. You have no knowledge of a second
13 committee?

14 A. No, but once again I would add that
15 this does not mean that I doubt its existence.

16 Q. Well, you can go no further with
17 your testimony than that; you do not know of its exis-
18 tence?

19 A. Yes

20 Q. Are you also familiar with a docu-
21 ment which has been filed at Exhibit 1171? It is a
22 questionnaire and answers filed on behalf of the
23 Department of Public Works?

24 A. I am not familiar with the detail
25 of it at all. I am aware that something of this
26 nature was done.

27 Q. You were not consulted then in connec-
28 tion with any of the answers that have been given?

29 A. No, none whatever.

30 Q. You are not prepared to assist the



1 Commission to elaborate on any of the answers which
2 were given and which were elaborated on yesterday
3 mainly by Mr. Millar and in part by Mr. McLellan?

4 A. It is not a question that I am not
5 wanting to assist. I simply do not have the infor-
6 mation to do so on that.

7 Q. I see. You cannot assist then
8 because you do not have any information?

9 A. That is right.

10 COMMISSIONER SMITH: My lord, I would
11 like to ask the witness a question in clarification of
12 a point which is not too clear in my mind. I think
13 there is bound to be some repetition in this, but I
14 would like to get it segregated so that I can under-
15 stand it a little better than I do now.

16 My understanding was that there
17 was a departmental letter explaining the terms of
18 reference and there were three -- economic, navigational
19 and dredging. Leaving aside the economic and leaving
20 aside the dredging, under the navigational I presume
21 that the pilotage angle and the pilotage element
22 entered into it quite strongly. That being the case,
23 I know you did not have very many meetings, but were
24 the pilots' objections to the navigation of large
25 bridge aft ships through that bridge completely surveyed,
26 investigated, and all the facts in connection with their
27 objections uncovered?

28 THE WITNESS: By the committee, Mr.
29 Smith?

30 COMMISSIONER SMITH: Yes.



1 THE WITNESS: No. This was not
2 really what I think the committee was expected to do.
3 It was expected to look at what would be involved,
4 what were the losses, for example, and eventually
5 to look at what would be the losses by navigation not
6 going above the bridge, not being able to go above
7 the bridge.

8 COMMISSIONER SMITH: Well, under
9 "navigation" was it the committee's view that they did
10 not include the pilotage angle or the pilotage aspect?
11 Was that the committee's view?

12 THE WITNESS: No. If ships could
13 not go above the bridge because of the pilotage con-
14 sideration and if there was a demand for it, a re-
15 quirement for navigation above the bridge, then cer-
16 tainly this would be taken into account by the Com-
17 mittee.

18 COMMISSIONER SMITH: And taking
19 that into account by the committee, was that followed
20 up and investigated and run down to its final con-
21 clusion?

22 THE WITNESS: Mr. Commissioner, as
23 I thought I meant to say before, after the two meetings,
24 the last one in December of 1962 -- up to that time
25 we had not yet, or the rough records of my Branch
26 suggest that there had not been information obtained.
27 However, we were expecting that the New Westminster
28 Harbour Commissioners would be making a submission
29 to this Commission, and that we would be able to
30 rely on much that was in that.



1 MR. LEGG: Thank you.

2 THE CHAIRMAN: So in other words, it
3 was taken for granted by the committee that the pilots'
4 stand was right -- it was taken as a fact -- and we
5 were just at that stage investigating the consequences
6 of it?

7 THE WITNESS: My lord, could I
8 qualify that in this way; that it was taken as a base
9 that the limits were put on by the Pilotage Authority.
10 This was a base to work from in estimating the eventual
11 economic losses. This would not imply it was accepted
12 by the committee or rejected.

13 THE CHAIRMAN: So before getting
14 into the question of navigation you first wanted to
15 ascertain the importance of the question?

16 THE WITNESS: Precisely, my lord.

17 THE CHAIRMAN: I see.

18 MR. LEGG:

19 Q. I asked you about inquiries made by
20 those members of the committee charged with the in-
21 vestigation of the economic need for deep sea naviga-
22 tion above the bridge -- about inquiries made by them
23 of the New Westminster Harbour Board. Were inquiries
24 made of any other source?

25 A. Not that I am aware of immediately,
26 no.

27 Q. They were not?

28 A. I say to my knowledge, no, but as I
29 have said before, keep in mind that I was not at this
30 stage either in charge of the committee (to use that



phrase) and I was not at one of the meetings, you see.

Q. When did you become chairman? I do not think I asked you that question.

A. In the sense that I inherited the job last April, at which time the New Westminster Harbour Commissioners had presented their brief.

Q. Are you talking of April, 1963?

A. 1963; I am sorry.

Q. Not last April?

A. Quite right.

Q. Have you made any study of any facts to establish the position of Crown Zellerbach, namely that the presence of the bridge has a very deteriorating effect upon the Fraser Mills as a port? Have you any facts to suggest that that idea is not sound?

A. No, but we had expected, as I have said before, to utilize all of the briefs made to this Commission, including the New Westminster Harbour Commissioners, and this would bear certainly upon our views, and this would include Crown Zellerbach.

Q. Therefore the policy that you have pursued as chairman is to wait for information to reach you but not to go out and seek information?

A. Merely because the information we would be seeking would be already presented to this Royal Commission.

Q. Is that a correct summary of your position as chairman of this interdepartmental committee?

A. I would think that this is fairly accurate, yes.



1 MR. LEGG: Thank you.

2 THE CHAIRMAN: Are there any further
3 questions for Mr. Daley?

4 Thank you very much, Mr. Daley.

5 ---Witness withdrew.

6
7 HOWARD JACKSON DARLING, sworn

8 DIRECT EXAMINATION BY MR. JACQUES:
9

10 Q. Would you state your full name?

11 A. Howard Jackson Darling.

12 Q. You are, I believe, an economist
13 with the Department of Transport?

14 A. That is right.

15 Q. You have heard the evidence given
16 by Mr. Daley and you must realize by now that we have
17 been discussing the problem of the Fraser River railway
18 bridge?

19 A. Yes.

20 Q. We were told yesterday by Mr. Millar
21 from the Department of Public Works that in June, 1962,
22 an interdepartmental committee was set up to investi-
23 gate this matter -- that is, the stand taken by the
24 pilots that they would not take bridge aft ships through
25 the bridge. We were also told that the Department of
26 Transport had set up its own interdepartmental committee
27 to look into the same matter. Would you have any
28 knowledge?

29 A. You are not speaking of the committee
30 of which Dr. Weekes was the first chairman?



1 Q. Well, we were told that this was one
2 committee. We were also told that there was a second
3 one, and we are searching for the second one.

4 A. The second committee, if one can
5 call it that, was a meeting which was arranged by the
6 department solely for the purpose of ---

7 Q. Which department?

8 A. The Department of Transport -- this is
9 the one that I am referring to -- bringing the Canadian
10 National into the picture with the Department of Public
11 Works. This was for the furtherance of technical
12 studies. It was felt that if we were to go into this
13 matter any further it should be done along with the
14 railway from the technical angle.

15 Q. Would you have any knowledge of re-
16 quests for information which we were told were made by
17 the interdepartmental committee to various interests
18 concerned?

19 A. Which committee are you speaking of
20 now?

21 Q. The Public Works Committee.

22 A. Yes.

23 Q. Would you have any knowledge of the
24 requests for information which were made?

25 A. I do have one or two, yes.

26 Q. Was any information requested from the
27 New Westminster Harbour Commissioners?

28 A. We had a meeting with the Commission-
29 ers in Ottawa.

30 Q. Do you recall the date?



1 A. November 22nd, 1962.

2 Q. In Ottawa with the New Westminster
3 Harbour Commissioners?

4 A. Yes. They were here on other busi-
5 ness, I believe, and we did speak with them at that
6 time.

7 Q. And with respect to the stand taken
8 by pilots on traversing the bridge, would you know
9 whether this was discussed at that meeting?

10 A. Well, it was one of the facts of the
11 situation.

12 Q. Could we say then it was the fact
13 which triggered the setting up of committees and the
14 investigating procedure?

15 A. I do not think it would be entirely
16 right to say that this was a representation from the
17 New Westminster Harbour Commission. The position of
18 the pilots undoubtedly was part of the picture which
19 they were interested in.

20 Q. I did not hear your last words.

21 A. The position taken by the pilots was
22 one of the contributing factors in bringing this matter
23 to the government's attention.

24 Q. Would you recall offhand what were
25 the other factors?

26 A. Well, there was the question of the
27 hazard of the bridge and I think the desire on the part
28 of the harbour commissioners to develop the area above
29 the bridge.

30 Q. So it all boiled down to navigation



1 through the bridge?

2 A. I think this was the essential . . .

3 Q. And the only navigation through the
4 bridge, so we were told, were through ships or barges?

5 A. I understand that.

6 Q. And the difficulties encountered in
7 navigation were not with barges but only with the ships
8 and a particular type of ship, bridge aft ships. So
9 would it not be fair to say then that the problem of
10 the Fraser River bridge is one which arose almost
11 solely because of the stand taken by the pilots?

12 A. Presumably; that is one way of looking
13 at it. The bridge was there as a hazard regardless
14 of the position of the pilots, but it is conceivable.
15 I cannot speak for the motives of the New Westminster
16 Harbour Commission in raising the question. As I
17 say, they had other ideas coupled with the expansion
18 of their port which they were interested in at the
19 same time.

20
21 -

22
23
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25
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27
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29 -
30



1 It all hinged upon the position of
2 the pilots? If the pilots had abolished the re-
3 strictions then there was no reason to complain ---

4 A. That is conceivable.

5 Q. Would you know whether either the
6 DPW interdepartmental committee or the DOT people
7 requested information from the Crown Zellerbach
8 interests in B.C. with respect to the economic need
9 for deep sea shipping above the bridge?

10 A. We did have the information which
11 they had forwarded to the New Westminster Harbour
12 Commissioners which was passed on to us.

13 Q. Would you recall the date on which
14 this information was passed on to you, or the effective
15 date of the information?

16 A. May 9th, 1962, there was a letter from
17 the secretary to the Minister. I beg your pardon,
18 this refers to the submissions of the District Pilotage
19 Authority. It is possible that the material of Crown
20 Zellerbach was handed to us at the meeting we had with
21 them in November.

22 I see no record of having received
23 that by letter.

24 Q. Would you know if at this date the
25 Department of Transport had done any work towards the
26 settlement of this problem -- had done anything toward
27 the settlement of the problem?

28 A. Well, as I explained, we had started
29 discussions between the railway and the Department of
30 Public Works with a view to long-range planning.



1 Q. But these are not completed?

2 A. These are in the very preliminary
3 stages I would say.

4 MR. JACQUES: Thank you.

5 THE CHAIRMAN: Before you put your
6 questions, Mr. Legg, I was going to say that the re-
7 striction was applicable not only to bridge aft ships
8 but also to night crossing and also to freshet time,
9 so it is more than just bridge aft.

10 MR. JACQUES: I stand corrected
11 with pleasure. It makes my point all the stronger.

12 CROSS-EXAMINATION BY MR. LEGG:
13

14 Q. I was about to say something on that
15 point and ask Mr. Darling if he were aware, especially
16 during freshet time, that there is a problem navigating
17 through the bridge with tug and tow ropes? Are
18 you aware of that?

19 A. Yes.

20 Q. Are you aware of the particular
21 procedure that is used, lowering the scow or tow
22 through the bridge stern first?

23 A. No.

24 Q. You haven't heard of that procedure
25 having been used by scows going back and forth to
26 Fraser Mills?

27 A. I don't recall.

28 Q. Does the Department of Transport,
29 as far as you are aware, agree with the complaint that
30 the bridge is a hazard to navigation?



1 A. A potential hazard.

2 Q. Why would you say it is a potential
3 hazard?

4 A. Well, because of the difficulties
5 in navigation of certain types of ships, some times.

6 Q. I interrupted the rest of your answer.

7 A. And at certain times of the year.

8 Q. Are you aware of marine accidents
9 having occurred at the site of the bridge?

10 A. I don't have any recollection.

11 Q. Now, so far as the area above the
12 bridge is concerned and its economic development, what
13 information has your department obtained regarding
14 sailings of ships to the Fraser Mills area?

15 A. Well, as I said, we obtained infor-
16 mation that has been supplied by Crown Zellerbach to
17 the New Westminster Harbour Commissioners.

18 Q. Have you ever sought any information
19 from Crown Zellerbach directly?

20 A. Not directly.

21 Q. Have you sought to obtain a copy of
22 the submission made to this Royal Commission on that
23 very subject?

24 A. Not specifically.

25 Q. Do you agree with the statement of
26 Mr. Daly what the position of this interdepartmental
27 committee has been to wait for evidence to be re-
28 ceived rather than ---

29 A. I would say on that point at the
30 meeting with the Harbour Commissioners we requested



1 certain information in elucidation of the position of
2 the company from what we had.

3 Q. I am sorry?

4 A. At the meeting we had with the New
5 Westminster Harbour Commissioners.

6 Q. November 22, 1962, is that the
7 meeting?

8 A. They undertook to obtain this
9 information for us from the company.

10 Q. Undertook to obtain what information?

11 A. Questions we had asked on the sub-
12 mission that they had shown us.

13 Q. What specifically was this information
14 that was being sought?

15 A. Further details on the traffic and the
16 method of operation.

17 Q. I see. Was there any discussion as
18 to the difficulties or otherwise of obtaining that
19 information?

20 A. We were not made aware if there were
21 any.

22 Q. Did you pursue the matter any further
23 with the New Westminster Harbour Commissioners after
24 that meeting?

25 A. No, I don't think there were any
26 further discussions. We never heard anything more
27 from the Harbour Commissioners.

28 Q. There was no follow-up by your
29 department or by any other member of the committee?
30



1 A. Not to my knowledge.

2 Q. You made reference to the second
3 committee holding a meeting with the Canadian National
4 Railways; is that correct?

5 A. Yes.

6 Q. Were there any other railway companies
7 represented at that meeting?

8 A. No.

9 Q. There are two other railway companies
10 interested in that bridge, are there not?

11 A. Yes.

12 Q. They are the Great Northern Railway
13 for one?

14 A. Yes.

15 Q. Is that right?

16 A. That is right.

17 Q. And what used to be British Columbia
18 Electric Railway is the other?

19 A. Yes.

20 Q. You said in your evidence that this
21 second committee meeting was for the purpose of making
22 technical studies. What is covered by that expression?

23 A. Well, this is a matter that did not
24 directly concern our department, but I believe that
25 this concerned the possibility of widening the span
26 of the bridge or possibly relocation elsewhere.

27 Q. Yes. Is it your view that the other
28 railway companies would be interested in that subject?

29 A. Definitely.

30 Q. And would others who are using the



1 bridge or meeting the problem of the bridge in
2 navigating the Fraser River also be interested in
3 that subject?

4 A. I should think so.

5 Q. Was any invitation extended to them
6 to attend this meeting?

7 A. Not extended, no.

8 Q. Has any discussion taken place of
9 any plans to invite these parties to attend such
10 meetings?

11 A. Not to my knowledge.

12 Q. So that at the moment when matters
13 were last left with this second committee, there was
14 an invitation extended to the Canadian National Railways
15 and they were the only non-government body, if I can
16 call it that, interested in the use of the bridge that
17 were invited to this meeting; is that correct?

18 A. Yes, that is right.

19 Q. And you can't say whether or not
20 it is planned to invite other parties who are inter-
21 ested in the use of the bridge to any further meetings
22 to consider the bridge from a technical point of view?

23 A. I couldn't say. I imagine they
24 would be.

25 Q. Would you imagine that would be a
26 fair thing to do?

27 A. I would think so, yes.

28 Q. When was that second committee meeting
29 last held?

30 A. I don't have any record of the actual



1 date. My recollection is it was in the summer.

2 Q. Last summer?

3 A. Yes, a year ago last summer.

4 THE CHAIRMAN: 1963.

5 MR. LEGG:

6 Q. The summer of 1963?

7 A. That is my recollection.

8 Q. Now, the subject there was a technical
9 matter, the extension of the span to form 450 feet ---

10 A. Considering the problem in its
11 broadest aspect.

12 Q. Considering what problem in its
13 broadest aspect?

14 A. The problem presented by the bridge.

15 Q. Was a change in the dimension of the
16 span discussed?

17 A. Not specifically at the meeting that
18 I was at.

19 Q. Not specifically at the meeting you
20 were at? What change of the span was discussed at
21 the meeting you were at?

22 A. All these possibilities were touched
23 upon briefly as I recall.

24 Q. The possibility of changing the span
25 to 450-foot width. Is that what you mean?

26 A. I don't know what specific width,
27 of course.

28 Q. You don't know the specific width?

29 A. No.

30 Q. Was the abolition of the swing span



1 and the substitution with a lift span discussed?

2 A. Nothing was discussed in great
3 detail.

4 Q. Was that discussed, Mr. Darling?

5 A. It probably was, or mentioned, but
6 probably no more than mentioned.

7 Q. Did it just receive casual mention?

8 A. Along with other possibilities, yes.

9 Q. Along with other possibilities it
10 received casual mention? What were the other possi-
11 bilities?

12 A. Relocation of the bridge.

13 Q. Relocation of the bridge? Are these
14 the two things that were discussed, relocation of the
15 bridge and the reconstruction of the bridge?

16 A. That is right, yes.

17 Q. I see. Is that all that was dis-
18 cussed at this meeting?

19 A. I don't think there was anything
20 else that was discussed.

21 Q. Now, has any study been made of the
22 change of the bridge to a lift span bridge?

23 A. I wouldn't know about that.

24 Q. You don't know about that?

25 A. No.

26 Q. Was any reference made at this meeting
27 to any such study?

28 A. There may have been.

29 Q. There may have been?

30 A. Yes.



1 Q. Was the reference to this change
2 in the bridge to lift span just a very short reference?

3 A. I don't know how to describe it.
4 Many matters were discussed. Everything was in a
5 very general fashion. This was the first meeting.

6 Q. Has there been any further meeting of
7 that committee since?

8 A. I think there was one further meeting,
9 yes.

10 Q. And the date, sir?

11 A. April 9th.

12 Q. Of this year?

13 A. 1964.

14 Q. Was any change in the bridge discussed
15 at that meeting, that is, structural change?

16 A. No, there was a question of an alter-
17 native site discussed.

18 Q. What is the view of that committee
19 then on the possibility of changing the bridge to a
20 lift span bridge?

21 A. I don't think the committee has
22 reached any conclusion.

23 Q. The committee has not reached any
24 conclusion?

25 A. Not to my knowledge.

26 Q. Has it made any investigation since
27 its meeting in the summer of 1963 of that possibility?

28 A. Well, the investigation would be
29 proceeding not with our department.

30 Q. With whose department is it understood



1 that that investigation is proceeding?

2 MR. MACGILLIVRAY: He didn't say
3 it was proceeding.

4 MR. LEGG: He said it has not been
5 proceeding with our department.

6 THE WITNESS: With our department.
7 It wouldn't be proceeding with our department if it
8 were proceeding. It is not our responsibility.

9 MR. LEGG:

10 Q. I am sorry, I thought there was some
11 investigation proceeding. Do you know of any investi-
12 gation that is proceeding with Public Works on the
13 subject?

14 A. No.

15
16 EXAMINATION BY MR. MACGILLIVRAY:

17 Q. Mr. Darling, am I correct that you
18 understood the purpose of the first committee, if we
19 may speak of these as two committees, the first com-
20 mittee was to discuss the economic need for deep sea
21 navigation above the bridge and the costs both of
22 any improvements to the channel and any maintenance
23 dredging, and that this was the extent of the terms
24 of reference of this committee?

25 A. That is right.

26 Q. Did you understand that the committee
27 had to do any more than assume that there was a naviga-
28 tion problem in connection with the bridge?

29 A. That is right.

30 Q. Therefore it was not necessary for you



1 to consider the reasons for the pilots' objections to
2 navigate under the bridge in certain circumstances,
3 and no reason for you to study any pilotage problems
4 or any navigation problems at all, but only economic
5 problems?

6 A. We didn't question the decision of
7 the pilots.

8 Q. And at this meeting in the summer of
9 1963 of the second committee, were there engineering
10 people there to discuss engineering solutions to this
11 problem?

12 A. That is right.

13 Q. There were? But this was a prelimin-
14 ary meeting at which definite solutions were not pro-
15 posed?

16 A. No, it was simply to lay the ground-
17 work for any future investigation.

18 MR. MACGILLIVRAY: Thank you.

19 MR. JACQUES: Thank you, Mr. Darling.
20 My lord, before we recess I should like to go on record
21 and thank my friend Mr. Macgillivray for his coopera-
22 tion in making possible the completion of the evidence
23 with respect to the Fraser River bridge this morning.

24 THE CHAIRMAN: Thank you.

25 MR. LEGG: I too would like to ex-
26 press my thanks to your lordship and Mr. Macgillivray
27 and the Department of Public Works and Transport who
28 attended here largely to meet Crown Zellerbach's con-
29 venience. I do appreciate that very much indeed.
30 Thank you, my lord.



1 THE CHAIRMAN: We would normally have
2 adjourned this question to next Monday, and let you
3 have all the necessary time to dig up the information,
4 and we do appreciate very much what you have done.

5 MR. MACGILLIVRAY: Thank you very much.

6 THE CHAIRMAN: We will adjourn now until
7 two-thirty.

8
9 ---Luncheon adjournment.
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1 ---UPON RESUMING AT 2:30 P.M.

2 MR. BRISSET: My Lord, at the time of the
3 adjournment Mr. Simmons was interrupted by my learned
4 friend, Mr. Lalonde, who raised objection to certain
5 questions I had put to the witness on the topic of
6 "where is the center line of the channel".

7 I would like to explain my reasons
8 for the questions that I actually put. Your Lordship
9 will recall -- unfortunately I do not have the reference
10 to the evidence at the moment -- but there was evidence
11 particularly in relation to the dotted line appearing
12 on the chart for the Harbour of Quebec and showing on
13 the chart as being the center line of the channel.

14 There was evidence to the effect
15 that some pilots at least did not agree this was in
16 fact the center line of the channel and consequently
17 it should not be relied on.

18 I believe there was evidence to the
19 same effect by a pilot, or more than one pilot, from the
20 Montreal District who explained that in one particular
21 spot the channel had been widened on one side and that
22 therefore the line that showed the center of the channel
23 was no longer valid because of this widening on only
24 one side of the channel.

25 It has come to my attention myself
26 that some pilots have expressed the view that the center
27 line of the channel shown on the chart was the center
28 line of the channel and should be complied with in
29 relation to the narrow channel rule. Your Lordship and
30 the Commissioners have before yourselves in the record



1 the findings and I think the evidence given during the
2 course of the formal inquiry on the TRITONICA disaster.
3 You will find that in the findings of the Court there
4 is a rather intriguing remark to the effect that the
5 collision occurred some three to four cables, that is
6 nearly half a mile, east of the line of the Corbeau
7 Range Lights in line but still it appeared that the
8 collision occurred in mid-channel and there was
9 discussion at the time in the argument as to whether
10 the mid-channel was represented by the Corbeau Range
11 Lights in line or not.

12 Well, in the light of all this
13 conflict and various opinions of various persons I
14 thought it proper to pose the question that I posed
15 to the witness.

16 The chart with the position of the
17 wreck of the TRITONICA, My Lord, has been filed as
18 Exhibit 440, chart number 1207.

19 Q. Mr. Simmons, would you go to page
20 14 of your brief, paragraph 10, in which you say that
21 the function of the Waterway Traffic Information Centre
22 will be to correct all information which in any way
23 affects the navigation of ships, and also to maintain an
24 accurate and constant plot giving the position of all
25 ships.

26 Further down in paragraph 11 you
27 say: "Constant and up-to-date information of ships'
28 arrivals at their berths will be available for the
29 harbour authorities, tugs, pilots, agents and stevedores,
30 thus obviating waste or delays."



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1 Would you agree, Mr. Simmons, that
2 this information will also assist in the effective
3 dispatching of pilots, not only in the harbours but
4 also in the rivers in the various districts in which
5 they have to operate? For instance, you know that there
6 is a change-over of pilots in Three Rivers. There is
7 one in Quebec. Do you believe that this information that
8 will become available will assist in having better
9 dispatching of pilots?

10 A Yes, I think it will facilitate
11 the job of the dispatcher considerably because he will
12 have advanced, accurate information of the arrival
13 of the ships and of any delays which may occur or
14 also any advances which a ship may have in the course
15 somehow or other. It may have had a favourable current
16 or made better speed.

17 Q. Would I be right in assuming that
18 it will also assist in determining how many pilots,
19 for instance, will be needed in the hours to follow at
20 a particular station?

21 A. Yes.

22 Q. Assuming, for instance, there are
23 more ships coming up than ships coming down?

24 A. Yes, it will do that too.

25 Q. There is at the moment information
26 available to the Signal Service Station and I will assume,
27 correct me if I am wrong, that the system which you
28 propose will be a considerable improvement over what we
29 have at the moment?

30 A I would like to believe so. I am not



1 quite sure what facilities do exist at the moment. I
2 have seen them but I am not too familiar with them. I
3 do not know if there are any snags in the operation of
4 the system and I am certainly not in a position to offer
5 any criticism there.

6 Q. Did you at the time you prepared
7 your brief consult the ships' agents, for instance, to
8 ascertain whether they were satisfied with the present
9 system with respect to the information they were able
10 to obtain on the ships they were interested in; the
11 times of arrival and so forth?

12 A. No, I did not.

13 Q. Would you pass on, Mr. Simmons, to
14 page 39 of your brief, paragraph 5, where you say:
15 "In the case of Montreal Harbour where we have a large
16 area to supervise and many ship movements, there is a
17 dangerous problem in the approaches to the Seaway
18 entrance," and so forth, and then at the end of the
19 paragraph you say: "Already some serious casualties
20 have occurred in this area and it is almost certain
21 that with good shore supervision, through harbour radar
22 and VHF communications, these incidents could have been
23 avoided."

24 I suppose you have made an investi-
25 gation or at least --

26 A. A cursory one.

27 Q. Would you care to amplify this
28 paragraph; tell us exactly what you have in mind.

29 A. What I have in mind there is that you
30 have ships coming in from the sea proceeding up the



1 Seaway and therefore they have to hug the south shore
2 to the harbour area. You have other ships also coming
3 in from the sea and probably proceeding further up the
4 harbour. You have other ships leaving the Seaway,
5 mingling with all of this traffic, so you do have
6 ships moving in many different directions, but to an
7 observer or another ship in the case of poor visibility
8 who may be observing them by radar, he is not too sure
9 as to which way the target he is observing may turn.

10 Take, for example, the approaches
11 to Three Rivers. The chances are that a ship is probably
12 coming straight up or down river but in the case of
13 Montreal this is unpredictable. If you had a controller
14 supervising the traffic on radar, he would be equally
15 in the dark as to which way these targets were to move,
16 but with the addition of VHF communication and monitoring
17 the traffic, he would then be able to identify each
18 ship individually and from other information which he
19 would have available he would know where that ship was
20 going and therefore he could more or less anticipate
21 where a ship would be liable to make a violent
22 alteration of course.

23 Bearing all this in mind, he would
24 then be able to advise this ship, which was finding
25 itself in some slight difficulty, to analyze what the
26 traffic pattern was.

27 Q. In this case, when you use the
28 word "control", are you intending to mean only advice
29 or would you go a step further and permit the authority
30 to actually direct a vessel or give an order to the



1 Master or pilot that he either should not move out or
2 he should do such and such a thing?

3 A. That is not practical. He could
4 advise a ship that there will be a delay for him
5 entering the Seaway of possibly two hours or whatever
6 it happens to be. He might advise him to anchor but
7 he would not tell him to anchor wherever he happened
8 to be. That is not a practical solution.

9 Q. Let me give you a complete example.
10 Let us assume that there is a vessel proceeding down
11 the Seaway Canal approaching the entrance to the harbour
12 and there is also a ship proceeding from the upper
13 harbour with a very strong current running with her.

14 Would you not think in these
15 circumstances if the person in charge of the control
16 realizes that there might be a danger if the two ships
17 proceed, would you not foresee the possibility in
18 such a case of the person having such control ordering
19 the ship in the Seaway Canal to wait there until the
20 other has cleared, for instance?

21 A. If you change the word "order" to
22 "advise" --

23 Q. Yes?

24 A. I would agree with you.

25 Q. Would you pass on to page 59 of your
26 brief. In this section you are speaking of the existing
27 marine traffic control systems and you have given us
28 some examples of what is being done in other ports and
29 then on top of page 59 and at the bottom of page 58
30 you mention: "Movements of ships passing Gravesend are



1 of the order of 75 ships per day in each direction
2 and it is interesting to note that one man, singlehanded,
3 is capable of handling up to 60 ships reporting in and
4 disseminating information to them on VHF."

5 Would you amplify for me this
6 expression: "capable of handling up to 60 ships"?

7 A. Well, the operation centre at
8 Gravesend have one man on the VHF equipment and ships
9 are moving upriver and they report in their position.
10 They pass information concerning where they are. They
11 ask information concerning what is ahead of them if
12 the visibility is not too good. They are probably
13 requesting tugs and all sorts of information and yet I
14 am told at Gravesend one man can handle this concen-
15 tration of traffic although there is 60 ships involved.

16 Q. In your research have you determined,
17 for instance, how many ships would be moving at one
18 time say in the Harbour of Montreal?

19 A. Not in the Harbour of Montreal, no.

20 Q. Have you any idea how many ships
21 on the average may be moving within the St. Lawrence
22 system say between Montreal and Les Escoumains? I am
23 not speaking of harbour movements but ships going up
24 and down?

25 A. I would say anything up to nearly
26 100 ships.

27 Q. That would be the average?

28 A. That might be a slightly high
29 average. A more nearer average would be about 80.

30 Q. Now, Mr. Simmons, in order to have



1 this traffic information centre as well as the harbour
2 traffic control operate effectively, I assume that the
3 operators or the persons in charge would have to have
4 the full cooperation of the pilots?

5 A. Yes.

6 Q. On board ships?

7 A. Yes.

8 Q. Would you consider that in view
9 of the technical features involved in these operations,
10 it would be necessary for pilots to have special
11 training?

12 A. Yes, I think it would.

13 Q. In what particular field would you
14 consider that special training would be required?

15 A. They would need training in handling
16 communications although one would envisage a person
17 trained in communications actually, but the handling
18 side of it, the pilot would act as a controller, or a
19 controller who might be a pilot would be trained in
20 controlling, assessing the radar pictures, operating the
21 plot which would be reduced to a fairly simple operation
22 but I don't think that it would take an awful lot for a
23 pilot or a master mariner to be able to assimilate all
24 that is proposed here. It has been done in many other
25 places. I am quite sure that it would be just as easy
26 to do it in Canada as anywhere else.

27 Q. What about the use of micro-wave
28 beams? Would that require any special training on the
29 part of pilots?

30 A. No, I don't think so and it is a



1 pretty simple -- as we think of it at the moment it
2 would be a fairly simple operation. It is just a
3 question that the helmsman would be using it himself
4 to keep the ship on to the center line.

5 Q. Now, the special training which
6 might be required for those who would use the St.
7 Lawrence River, if these systems are adopted, could be
8 obtained where? At a nautical school or where?

9 A. I don't think there would be any
10 need for any specialized training for ships' crews who
11 happen to be coming upriver. I don't think there would
12 be any need for special training for pilots who are
13 coming up the river. They would just have to be aware
14 of the information which is being disseminated. This
15 is information which today either they know or they
16 would like to know, so really it is something which
17 would probably find its own way into the traffic system
18 of the St. Lawrence. It would be introduced gradually
19 in any case.

20 I do not see any need for specialized
21 training of the people who are actually taking the ships
22 up and down river. There would be a need for specialized
23 training for the controller who is handling all the
24 information coming into the centre and also disseminating
25 it. You would have to build up a team in there and
26 train them and have them coordinated with one another
27 in passing this information out, and that is all.

28 Q. However, in maintaining the waterway,
29 what you call the waterway traffic information centre
30 and operating it efficiently, there would certainly have



1 to be coordination between the centre and the ships
2 themselves through, I imagine, the pilots mainly?

3 A. Well, I don't know if all ships on
4 the St. Lawrence carry a pilot. I believe some perhaps
5 do not.

6 Q. Well, when they do carry pilots,
7 and that is the majority?

8 A. Yes. The information would come
9 from the pilot or from the Master of the ship.

10 MR. BRISSET: I have no more questions. I
11 simply want to conclude my questioning by expressing
12 my appreciation for your work in presenting a very
13 helpful and interesting brief.

14 THE WITNESS: Thank you very much.

15 MR. LEGG: No questions, My Lord.

16 THE CHAIRMAN: Any further questions of Mr.
17 Simmons?

18 -----

19 CROSS-EXAMINATION BY MR. LALONDE:

20 Q. I have a supplementary question
21 with respect to page 59 of the brief as to the station
22 at Gravesend. You state at the bottom of the page that
23 one man, singlehanded, is capable of handling up to
24 60 ships, reporting in and disseminating information to
25 them on VHF.

26 Is it not a fact, however, that
27 although you have one man at the main desk or main table,
28 you also have, I think, at least two other persons who
29 are helping him, either by putting the names of the ships
30 on the board or again to generally look after equipment,



1 so is it not a fact you have some additional personnel
2 to help along?

3 A. Yes.

4 Q. You may have one man actually at
5 the main desk?

6 A. Yes. Well, what I was trying to
7 point out here is that this is clearly a communications
8 problem. There is a man at Gravesend who is the
9 communications man. He is not necessarily a qualified
10 mariner or pilot. He is purely communications and he
11 relates information from ships into the centre and then
12 out from the centre to the ships. He may not necessarily
13 even understand what it relates to. There is a
14 controller who handles or passes out the advice to the
15 traffic, so the centre, as you correctly say, is
16 operated by three men at a time. I believe they have
17 one or two on standby in case of emergencies.

18 Q. So in fact you need approximately
19 three shifts of three men?

20 A. At least that, yes.

21 MR. LALONDE: Thank you.

22 THE CHAIRMAN: Are there any further
23 questions?

24 THE SECRETARY: The 60 ships you mentioned
25 are 60 ships in one day?

26 THE WITNESS: At one time.

27 THE SECRETARY: At one time -- at any one
28 time?

29 THE WITNESS: Yes.

30 THE SECRETARY: It is not necessarily related



1 to the 75 ships per day mentioned earlier at the bottom
2 of the page?

3 THE WITNESS: There are 75 movements each
4 way per day, I think, so that relates to 150 ships --
5 probably 75 in and 75 out.

6 THE SECRETARY: Thank you very much.

7 THE CHAIRMAN: Thank you very much, Mr.
8 Simmons.

9 ---Witness withdrew.

10 -----

11 THE CHAIRMAN: Now, gentlemen, you have
12 read this brief which was new to you until you saw it
13 a few weeks ago. You are the ones to whom it is
14 addressed, so you may have some comments or some
15 recommendations or remarks to make to the Commission on
16 that now or later, if you wish. If you have any such
17 comments or recommendations that you think should be
18 made to the Commission we will receive them either
19 through witnesses or otherwise. We would appreciate
20 them very much.

21 MR. JACQUES: Before proceeding with the
22 Montreal-Cornwall evidence, My Lord, I should like to
23 hear Captain Jones on the various documents which were
24 filed at the beginning of the hearing in Ottawa this
25 month. We have secured an adequate number of copies
26 so that everybody can follow.

27 MR. LALONDE: My Lord, in connection with
28 the last statement, the brief of the Computing Devices
29 of Canada Limited will be studied by the various pilots,
30 pilots' corporations and boards of administration.



1 THE CHAIRMAN: And you will be welcome to
2 give evidence on that.

3 MR. LALONDE: I do not think there will be
4 evidence as such. I think it will be more argument
5 or commentaries, but it will eventually come forward.

6 THE CHAIRMAN: Thank you.

7 -----

8 CAPTAIN D. R. JONES, Sworn

9 DIRECT EXAMINATION BY MR. JACQUES:

10 Q. Would you place before you Exhibit
11 1295, section 1, which is Department of Transport
12 Marine Services Nautical and Pilotage Division, statement
13 of revenue and expenses for fiscal year, 1960-1961.
14 Are you familiar with this document?

15 A. Yes. This document was prepared
16 primarily in our Division and later with others working
17 on it.

18 Q. Some of these documents bear a
19 note in the left-hand corner. Some show that it
20 emanates from the Chief Financial Division and others
21 from the Superintendent of Pilotage. Would you explain
22 the difference between these two?

23 A. Well, sir, the difference is not
24 really very material. In all cases no matter whose name
25 is shown on the foot, these statements are made up
26 primarily from materials supplied by pilotage and the
27 financial services, being a group of civil servants of
28 professional qualifications -- accountants -- and they
29 assist at certain stages in preparing this statement.

30 In earlier years, as you see, they



1 are listed as being made by the Chief Financial Division
2 and this is really indicating that the last stage,
3 the typing, was taken care of upstairs, taken care of
4 by the Financial Division. This year, while they still
5 had the same assistance, of course, the final stages
6 of the matter were conducted in Pilotage itself and
7 essentially the source material is pilotage data.

8 Q. Referring to the statement of
9 revenue and expenses for the fiscal year 1960 to 1961,
10 would you explain what is included in the first column
11 as "revenue"?

12 A. The first column of this statement
13 on the left-hand side after the list of the names of
14 the Districts is "revenue". It has gross revenue
15 collected by the District and in some the total of the
16 revenue derived from the operation of a particular
17 District that it is listed against.

18 Q. Let's take St. John's, Newfoundland,
19 for instance. It is shown as having had a revenue of
20 \$88,000.00 in 1960-1961. Would that include pilotage
21 dues?

22 A. Yes, sir; it includes pilotage
23 dues which ultimately are paid out for pilotage purposes.
24 It also includes monies that they were the agency of
25 the collection -- that is to say, they collected for
26 the Receiver General \$15,000.00 which is shown on the
27 fifth arithmetical column and was remitted in due
28 course to the Receiver General for the use of the
29 government boats.

30 Q. So it would include pilotage dues



1 proper, detention, cancellations, quarantine charges,
2 if applicable, boat charges?

3 A. All the charges made under the
4 by-laws of the District of St. John's, Newfoundland.

5 THE CHAIRMAN: Licence fees?

6 THE WITNESS: Yes, it would include licence
7 fees. They may well be dispersed in a different
8 column over here so that they are really in and out,
9 but this remark applies equally to other items.

10 MR. JACQUES: Q. And the next item is,
11 "Paid to pilots"; would that represent the amount
12 which is remitted each month by the local Supervisor
13 to the pilots for distribution and/or the amount which
14 he distributes himself under some by-law?

15 A. It would be the amount during the
16 entire year that was so distributed to the pilots.

17 Q. With respect to British Columbia
18 we know that some of the travelling expenses are
19 reimbursed by the ship. Would that be included in the
20 column entitled "Paid to pilots"?

21 A. Yes, and for this reason one has to
22 be a little careful with British Columbia. As a number
23 of you gentlemen are aware, in the northern portion of
24 the District the matter of travelling expenses is handled
25 somewhat differently from the way it is in the southern
26 portion of the District. But in any event the monies
27 were collected as shown here.

28 THE CHAIRMAN: Yes, but it would not be
29 shown under "Paid to pilots". It would be shown under
30 "Other expenses"?



1 THE WITNESS: Yes. It would be shown in
2 this \$211,000.00 for example, but this first item
3 of \$1,286,000.00 in the first item includes that
4 \$211,000.00, Your Honour.

5 THE CHAIRMAN: Yes. In the first column,
6 "Revenue" you show there, of course, all the revenues
7 collected including that part of the expenses that is
8 chargeable against the ship, which is about in the range
9 of \$40,000.00 per year, or something around that?

10 THE WITNESS: Yes.

11 THE CHAIRMAN: But all the expenses are
12 paid to the pilots whether it is in the northern
13 section or the southern section, so therefore it is
14 going to be tripled or quadrupled in the "Other expenses".
15 As a matter of fact I think they receive something like
16 25% of all the expenses when they are paid to the
17 pilots, so in any event it is a very small amount. It
18 is about 25%.

19 THE WITNESS: Yes. Well, as you say, the
20 total revenue received and passing through the books
21 of the Pilotage Authority ---

22 MR. JACQUES: Q. Includes all revenues?

23 A. Includes all revenues received no
24 matter from what source.

25 Q. And money collected for travelling
26 expenses?

27 A. Yes, when such money is paid; but
28 it is not always paid separately. Occasionally, for
29 example, in traffic in the southern portion of the
30 District there is no such specific or specified amount



1 so paid. It is included in the dues of the vessel.

2 Q. That is right, and in "Money paid
3 to pilots" for British Columbia; what would it include?

4 A. It would include after the disperse-
5 ment of "Contribution to Pension Fund", which is listed
6 separately here, and "Other Expenses", the remainder is
7 paid to the pilots as indicated by the fact that columns
8 2,3,4 and 5 are totalled into column 1.

9 Q. If you wish we will skip over the
10 column "Pension Fund" and move over to the column
11 "Other expenses". What would be included in the column
12 "Other expenses"?

13 A. In British Columbia, for example?

14 Q. Let us say British Columbia.

15 A. They are monies collected on
16 account of travelling by pilots, which in turn gets
17 reimbursed and is listed separately from this sum. This
18 is the main portion. I am trying to remember some other
19 items that have been dispersed. There are very, very
20 few items of anything else other than that. I cannot
21 think of any major items other than travelling here.

22 Q. All right; let us take St. John's,
23 Newfoundland -- "Other expenses", \$8,000.00. What would
24 that be?

25 A. It certainly cannot be travelling
26 expenses in St. John's because there are virtually none.

27 Q. That is right.

28 A. Offhand I must admit I cannot quite
29 recall.

30 Q. Do you think you could check and see



1 what the nature of the expenses included in the column
2 entitled "Other expenses" are?

3 A. Yes.

4 Q. Now would you explain what is
5 "Receiver General revenue"?

6 A. The "Receiver General revenue" refers
7 to monies collected by the District and so included
8 in the first column listed "Revenue". These items are
9 collected on account of boats which are run by the
10 Department and managed by government servants and a
11 charge is made for the service rendered to the ships.
12 This charge is included on the pilotage bill and when
13 collected is in due course periodically remitted to the
14 Receiver General. In St. John's, for example, it is
15 listed as \$15,000.00, and similarly sometimes larger
16 amounts in other Districts according to the activity
17 of the boat operation.

18 Q. Now, for the Port Weller-Sarnia you
19 have revenue, \$562,000.00, Receiver General revenue,
20 \$562,000.00.

21 A. The reason for that is the Canadian
22 operation of the Port Weller-Sarnia District is one which
23 primarily is conducted as a Department organization with
24 civil servant pilots, prevailing rate status, and they
25 receive a flat salary, and any excess or deficiency is
26 looked after by the Receiver General.

27 Q. I see.

28 A. The dues, of course, I should add,
29 are so adjusted that we strike, we hope, a reasonable
30 balance between these two things so that there is no



1 problem over the long run.

2 I should perhaps, if I am permitted
3 to comment, revert to other instances. There is one
4 item in St. John's, Newfoundland, the Secretary-Treasurer
5 receives a remuneration for his work, and when this
6 happens it appears as a disbursement, of course. This
7 explanation does not apply to other places where there
8 is a civil servant paid and as such he doesn't receive
9 his salary from this account at all.

10 Q. Would the licence fees and renewal
11 fees be included in Receiver General revenue?

12 A. No. I have to be a little careful
13 about this, but I think that they revert, in some
14 Districts they revert to the Receiver General, and
15 others not. I have to look it up, but it is a very
16 small item.

17 Q. Now, with respect to operating
18 expense, would you have a breakdown of those expenses?
19 You have a total of \$34,000.00 in the case of St.
20 John's, Newfoundland, and you have entries, \$29,000.00
21 and "Other", \$5,000.00?

22 A. Yes. The latter item -- there is a
23 schedule supporting it, and immediately below it,
24 Schedule A and Schedule B, and Schedule A likewise is
25 subdivided and shows in greater detail the makeup of
26 the figures referred to.

27 Q. With respect to Schedule B, where
28 does that money come from? If it does not come from the
29 vote it must come from a fund somewhere?

30 A. Well, one has to be just a little



1 careful here. With St. John's, Newfoundland, the basis
2 here is that the charges are not levied, are not
3 allocated in the same way as they are in Districts
4 in which the Minister of Transport is Pilotage Authority,
5 but nevertheless, for example, in St. John's we have
6 pilot boats being operated there by the Department,
7 and this sum of money is disbursed, \$34,000.00, for
8 these two boats.

9 Q. The last column, the extreme
10 right-hand column entitled "Other", where does the
11 money come from? Is the money voted by Parliament
12 or does it come out of the pilotage fund?

13 A. One has to be a little careful. In
14 some instances this does not represent cash outlay
15 but rather non-cash items such as, for example,
16 depreciation on pilot boats. Here we have \$5,000.00
17 for St. John's, Newfoundland, of which \$2,000.00 is
18 depreciation on pilot boats, and here we have \$1,000.00
19 interest on undepreciated capital, and another \$2,000.00
20 on employees' fringe benefits. These, of course, are
21 really non-cash items and do not represent any
22 disbursement as such.

23 Q. I see. How do you establish the
24 depreciation on pilot boats? According to what rule?

25 A. We depreciate the pilot boats on
26 the basis of 5%, if my memory serves me right, and I
27 think it does. But the valuation on which this 5% is
28 based has to be looked at. It is not merely the value
29 of the boats at the present time, it is the original
30 estimated value. We provide it as a footnote to this



1 effect. We provide the total on which this 5% is
2 computed.

3 Q. I see. It is always 5% on all boats?

4 A. I'm not sure. All boats are
5 depreciated at the rate of 5%, which is a flat rate of
6 20-year life expectancy, one might say.

7 Q. So under the heading "Non-cash
8 expenses" would you include depreciation on boats,
9 equipment, buildings and also the value of space
10 utilized, building space utilized by your section?

11 A. Yes.

12 Q. Interest on undepreciated capital
13 and fringe benefits?

14 A. That is right.

15 Q. These would be non-capital expendi-
16 tures?

17 A. Yes, that is right. They are all
18 non-cash items, although one has to be careful. Why
19 I questioned this matter of depreciation on
20 accommodation, there are occasions on which we have to
21 pay for our accommodations.

22 Q. Would that appear from the financial
23 statements that you have to pay for your accommodations?

24 A. It appears where appropriate, yes.
25 For example, there is a rental charge, for example, in
26 Saint
/ John, New Brunswick it would be under "Adminis-
27 tration". Rental, there we are.

28 Q. This is rental of equipment?

29 A. It would be under "Other" here,
30 but there is a charge made for this. I mention this



1 merely to show that we do not get our office space
2 free invariably. We have to pay occasionally.

3 Q. Now, referring to Schedule A,
4 which is a breakdown of the vote money, it is subdivided
5 into various Districts and covers administration and
6 pilot boat?

7 A. That is right.

8 Q. Now the first column is total money
9 allotted from the vote to the particular District in the
10 left-hand column?

11 A. Yes.

12 Q. The next one is entitled salary and
13 wages. Whose salary and wages would that be?

14 A. Yes. There are none, of course,
15 Saint
in / John, as you see.

16 Q. Let's take Sydney, Nova Scotia.

17 A. That would include the Superintendent
18 of Pilots, two clerks in the office and that is all.

19 Q. That would include the local staff?

20 A. Local staff.

21 Q. Staff in the local Supervisor's
22 office?

23 A. That is correct, yes.

24 Q. It would not include the salaries
25 of boatmen?

26 A. No, boatmen's salaries appear here
27 in column 6, arithmetical column.

28 Q. The next column is rental of
29 telecommunications equipment?

30 A. Yes. Well, the Department pilotage



1 organization has a telecommunication line from Seven
2 Islands to Montreal, and from Montreal up the Lakes, and
3 this is the charge.

4 Q. Made against your vote money?

5 A. Yes.

6 Q. The next column is entitled "Other".

7 That is a very broad statement. Would you know what is
8 included in "Other"?

9 A. Well, cleaning services for the
10 offices. Lots of small items. Stationery, for example.
11 Occasionally we do have to buy stationery locally.
12 Most of the items which, for example, there is
13 some travelling that would be in here, local travelling
14 of the local Supervisor or whatever. In fact all
15 the expenses of running the local office which do not
16 appear under the heading of salaries and rentals. In
17 other words, one might say it is an adjusting column.
18 One adds these and gets to the total.

19 Q. The next one, total administrative
20 cost. The next section is entitled "Pilot Boats" and
21 covers salaries, wages and allowances. That would be
22 strictly for the boat crew?

23 A. Yes.

24 Q. And repairs, of course it is repairs
25 to boats?

26 A. Yes.

27 Q. And the next column, fuel, that
28 is easily understandable. The next column is "Other".
29 What is included in "Other"?

30 A. Well, very occasionally there is



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1 additional equipment bought -- and here really this
2 is in the nature of a ragbag which includes all these
3 other -- all but the items already listed. That is to
4 say, all the expenditures other than salaries, wages,
5 repairs and fuel.

6 Q. The extreme left-hand column is
7 entitled "Salary and Allowances of DOT pilots".

8 A. Well, here we have for an example
9 salaries of these pilots and their allowance for living.
10 They have a weekly or monthly allowance in lieu of
11 accommodation and so on, and this is included here.

12 Q. Will that include fringe benefits?
13 These pilots participate in a superannuation plan of
14 the government. Would that be included in the column
15 "Salary and Allowances"?

16 A. No, this statement is a cash
17 statement, and does not include non-cash items such
18 as that.

19 Q. So it would be contained in Schedule
20 B?

21 A. Yes. Now here we have the Port
22 Weller-Sarnia where there are a large number of these
23 type of employees, and the recapitulation includes
24 a very significant sum for fringe benefits which
25 range to something of the order of 20% of their monetary
26 salary.

27 Q. As I read the note 5 to Schedule B,
28 fringe benefits were estimated at the rate of 19% of
29 straight time payroll except for Port Weller and
30 Labrador where the rate used was 12½%. Would you know



1 what is the difference between those two?

2 A. I haven't been specifically
3 informed of this, but it must be because of the shorter
4 year. They work eight months a year, so this is
5 really a two-thirds factor and I presume it arises
6 from that.

7 Q. Would you check on that in order
8 that we may have an accurate answer?

9 Now, the last sheet of the first
10 section of Exhibit 1295 is entitled "Statement of
11 Capital Cost and Undepreciated Balance, Pilots Vessels,
12 Buildings and Equipment"?

13 A. Yes. Well, here is indicated the
14 District to which the pilot boat -- at which the
15 pilot vessel is stationed is given. The number of the
16 pilot boat itself, the year of building, the date it
17 was acquired for the Department, the capital cost,
18 and here in the next column, the provision for
19 depreciation in the year concerned, which is 1960, and
20 the accumulated depreciation to date at virtually this
21 figure since the origin of this particular boat,
22 summing up total depreciation of \$5,800.00 in the
23 first instance, and with the balance remaining, which
24 is the difference between the capital cost and this
25 last total of accumulated depreciation.

26 Q. Now, new equipment which you
27 install on board pilot boats such as radar, echo
28 sounders or again if you renew the engine on a pilot
29 boat, would that be shown in that statement?

30 A. It should increase the capital cost



1 shown in this column, in this first column, arithmetical
2 column, and similarly it would serve to a small extent
3 to increase the provision for depreciation and have
4 its effect on the column.

5 Q. That would be an expense, and we
6 should be able to trace that expense into vote money
7 or pilotage money?

8 A. Indeed, yes.

9 Q. Will you do it for me in the case
10 of the pilot boat which was re-engined in 1960, pilot
11 boat number 6, Halifax?

12 A. Well, this will be included in the
13 disbursement here. Here it would appear in this
14 expense, included with a whole lot of other items,
15 totalling \$103,000.00.

16 Q. We should be able to trace that
17 on Schedule A?

18 A. It could be included in this
19 \$17,000.00 in repairs although as a matter of fact
20 it is not really repair. It is re-engining more
21 properly than repairs.

22 Q. Would you check if it is actually
23 included under the heading "Repairs"?

24 A. Without looking it up I couldn't
25 be quite sure and I would have to review the details of
26 the accounts to see where this has been put in, but it
27 would have to go ultimately either in repairs or
28 "Other", and the total in "Other" is not sufficient
29 to sustain the disbursement of a sum of that magnitude,
30 so it would appear it is in repairs.



- 1 Q. Would you check it, please?
- 2 A. Yes, I will do that.
- 3 Q. Am I right in assuming that the
- 4 other parts of Exhibit 1295 contain similar information?
- 5 A. Yes.
- 6 Q. And are based on figures coming
- 7 from the same sources?
- 8 A. That is right, sir. They are
- 9 identical in form, and they are made up in the same
- 10 fashion.
- 11 Q. Except that for 1961-62 in
- 12 the Statement of Revenue and Expenses under Receiver
- 13 General revenue, you differentiate between pilot
- 14 boat revenue and other revenue?
- 15 A. Yes, I see. I was just wondering
- 16 why, what is the difference or what is the reason for
- 17 this different layout here. Offhand I don't know why
- 18 we prepared it in a different form, but we certainly
- 19 did.
- 20 Q. Would it not be then because in
- 21 those Districts which show other Receiver General
- 22 revenue the pilots are public servants and that the
- 23 pilotage dues would strictly speaking be Receiver
- 24 General revenue?
- 25 A. Well, that amount, sir, does not
- 26 quite fit. As you see we have lifted other revenue
- 27 here in the Kingston District.
- 28 Q. For 1961-62, \$36,000.00?
- 29 A. Yes.
- 30 Q. Would you check on this particular



1 item and see what this \$36,000.00 included in Receiver
2 General revenue is?

3 A. Well, sir, we know what this is.
4 This is the recovery by the Receiver General of
5 monies that were paid out to the District. In Kingston
6 District it is a self-supporting District where,
7 theoretically, the first charge on the revenue is the
8 expenses, and the remainder is divided, subdivided
9 between the American pilots and our own pilots.

10 MR. JACQUES: I see.

11 THE CHAIRMAN: I have a problem about the
12 reconciliation of the financial statements which we
13 have. I see that the statements you have are for
14 statistical purposes because they are in round figures
15 to the nearest thousand dollars and I also see that
16 they are for fiscal years while all the statements
17 since 1960, with which we have been provided, are
18 for calendar years. How do they tally?

19 THE WITNESS: Perhaps I should explain that
20 a number of years ago we decided that the calendar year
21 was a more convenient period under which to keep our
22 pilotage operation and at that time we issued instructions
23 henceforth we would move on to this, realizing we
24 thought it was a minor difficulty that there would not
25 be a clear comparison between the figures prepared on
26 the government operation which, of course, is on the
27 fiscal year, April 1st, and our own. That isn't true
28 and we are confronted with this difference now.

29 If we take a nine months period of
30 one year and add three months to the remainder, the



1 figures should be precisely the same.

2 THE CHAIRMAN: So in 1962-1963 in
3 order to find out what you show in your Exhibit here,
4 number 1295, (3), I will have to take from April, 1962
5 to March, inclusive, 1963, and add from the financial
6 statement onto this and then I should have these
7 figures you have shown?

8 THE WITNESS: Yes, sir. This sounds a
9 formidable task in the river Districts because it is
10 a quiescent period. The January to March figures
11 just by straight comparison do not vary very considerably.

12 THE CHAIRMAN: That would not be true for
13 St. John or New Brunswick?

14 THE WITNESS: No.

15 THE CHAIRMAN: Nor British Columbia?

16 THE WITNESS: Exactly.

17 THE CHAIRMAN: So for British Columbia
18 you would be obliged to do that calculation I just
19 mentioned?

20 THE WITNESS: Yes. Here again, if there is
21 any fluctuation in the river operations between one year
22 and another, nine months at the end of one year would
23 perhaps tally with three months on the other end. There
24 is no guarantee this would happen, of course.

25 THE CHAIRMAN: It would not be a reflection
26 of only the calendar year that is reflected as the fiscal
27 year? For instance, the revenue of the District would
28 be the revenue for 12 months from April, 1962. You
29 would have just the calendar year, January to January?

30 THE WITNESS: In our statements of pilotage



1 operations they are on a calendar year basis but on
2 these statements, which are prepared by the Department's
3 operation, conforming with our Department procedure
4 report, these are fiscal years.

5 THE CHAIRMAN: I suppose they are computed
6 not from the annual statement of the Districts but
7 from the monthly reports of the Districts?

8 THE WITNESS: Yes, essentially this is so,
9 yes.

10 MR. JACQUES: My Lord, I am now referring
11 to the Annual Statistical Report for Marine Services and
12 Air Services for the fiscal year 1962-1963 for the
13 Department of Transport. The documents have not been
14 filed yet, My Lord. I wonder if Your Lordship wishes
15 to give a number for these reports which we have in
16 the library for several years back.

17 THE CHAIRMAN: So that you could compare
18 the available information with what we have already?

19 MR. JACQUES: Yes, My Lord.

20 THE CHAIRMAN: I think it is Exhibit No. 1340.

21 THE SECRETARY: Can you give us a description?

22 MR. JACQUES: A bundle entitled "The Annual
23 Statistical Report on Marine Services and Air Services,
24 published by the Department of Transport".

25 THE SECRETARY: For which years?

26 MR. JACQUES: 1960-61, to date.

27 ---EXHIBIT NO. 1340: Bundle entitled "The Annual Statis-
28 tical Report on Marine Services and
29 Air Services, published by the
30 Department of Transport".

MR. JACQUES: Q. Captain Jones, would you



1 look at Exhibit 1295 and tell me what has been the
2 revenue of the District Port Weller-Sarnia for 1962-1963?

3 A. We have Port Weller-Sarnia for
4 1962-1963 listed as \$542,000.00. The figures are
5 rather difficult to read but I think this is quite
6 clear. \$542,000.00 and a further \$49,000.00 for District
7 #3, so-called, the Lake Superior District.

8 Q. So it makes a total of \$591,000.00?

9 A. No, excuse me. This \$591,000.00
10 is the difference between these two. Is this 542?

11 THE CHAIRMAN: Everything you say here is
12 taken down by the Reporter.

13 THE WITNESS: Yes.

14 MR. JACQUES: Q. The question again is:
15 What is the revenue for the Port Weller-Sarnia pilotage
16 area for 1962-1963?

17 A. It is \$542,000.00.

18 Q. Would you look up the annual
19 statistical report for 1962-1963, page 15, Schedule 7,
20 where it shows the revenue for that same District as
21 being \$615,505.00?

22 A. This is explained in part by the
23 fact that in this red book report they included District
24 3 in this figure of Port Weller-Sarnia. In other
25 words the caption on the left hand is not complete. It
26 should read --

27 Q. It is misleading?

28 A. It is misleading. It should read
29 Port Weller-Sarnia and District 3.
30



1 Q. If you wish we shall check another
2 figure. The Quebec Pilotage District revenue is shown
3 in the red book as \$135,380.00. What revenue would
4 you have in Exhibit 1295?

5 A. This is the Department of Transport
6 revenue and is not the revenue referred to in the
7 statement of the Pilotage Authority. It reads for
8 Quebec \$1,183,000.00 and here we have the Receiver
9 General payment made of \$136,000.00. This is pilot boat
10 revenue.

11 Q. If you wish we shall check another
12 one. St. John Pilotage District, which is shown as
13 \$13,720.00?

14 A. The total revenue of our District
15 was \$120,000.00 and the Receiver General revenue, which
16 appears here, is listed as \$15,000.00 in round figures.

17 Q. Would you know the reason for the
18 difference between the two figures?

19 A. The difference here is --

20 Q. The difference between the red
21 book and Exhibit 1295, if you wish?

22 A. There is a difference of \$1,000.00
23 here. In other words, we list this as \$15,000.00 and
24 in the Department report it is listed as \$13,720.00,
25 a difference of \$1,080.00.

26 Q. Would you know the reason for the
27 difference between the two figures?

28 A. This is revenue. This is cash.

29 Q. I am sorry. The red book is entitled
30 "Revenue".



1 A. I am sorry. This is the difference
2 but we list here the monies --

3 Q. By "here" you mean in Exhibit 1295?

4 A. Yes. We list not only the actual
5 cash received but also monies which are due us and
6 yet unpaid at the termination of the period.

7 Here in the red book I think this
8 is -- I believe it is cash and as such is shortened by
9 the amount of outstandings of \$1,200.00.

10 Q. So the heading "Revenue" would be
11 misleading?

12 A. Yes, it would be misleading in that
13 sense. It is not revenue in an accounting sense. It
14 is cash.

15 THE CHAIRMAN: It all depends on the type
16 of accounting you have?

17 THE WITNESS: Yes, sir.

18 THE CHAIRMAN: Do you still have many
19 more questions?

20 MR. JACQUES: Yes, My Lord.

21 THE CHAIRMAN: I think we will adjourn for
22 ten minutes.

23 ---A SHORT RECESS.

24 MR. JACQUES: Q. Now, for everybody's
25 benefit, let us start again with Exhibit 1295. You
26 have figures showing revenues. All right, what do you
27 mean by "revenue" in these documents?

28 A. We mean by revenue, those monies
29 which are either received or were due and would in due
30 course be paid but not necessarily were paid. In other



1 words --

2 Q. Excuse me. It would represent
3 the total billings for that year?

4 A. That is true. That is correct,
5 unless there were some write-offs, which there were not.

6 COMMISSIONER SMITH: That would be the
7 total billings less the amount that was unpaid?

8 THE WITNESS: No, sir. The amount that was
9 unpaid in the previous years would have appeared in
10 the revenue for that year notwithstanding the fact that
11 the cash had not been paid in that year. In other words,
12 we are using "revenue" here in the strict accounting
13 sense of the term revenue, whereas on occasions we find
14 it is used rather loosely and just means collection.
15 We mean not collections, we mean money actually collected
16 and money that should have been collected.

17 MR. JACQUES: Q. Let me see now. You have
18 got the beginning of the year and the end of the year.
19 You might have collected in January money for which
20 the bill was sent in December?

21 A. That item would be revenue in the
22 previous year.

23 Q. In the previous year?

24 A. Yes.

25 Q. So in fact the revenue as shown on
26 Exhibit 1295 would be the total billings for the year,
27 paid or not paid?

28 A. Yes, sir.

29 Q. Where did you get these figures from?

30 A. These figures are prepared through



1 sources of material supplied by local officers and
2 coordinated and put in this form by the people in the
3 pilotage group or with the assistance of a financial
4 services group who are, of course, chartered accountants,
5 for the most part.

6 Q. Is the accuracy of the reports
7 from the local Supervisors checked?

8 A. Yes, it is checked. We have
9 auditors visit these offices approximately once a
10 year and in the Great Lakes Basin for certain once a year
11 and in other Districts periodically but not necessarily
12 exactly once a year.

13 THE CHAIRMAN: Checked for what?

14 THE WITNESS: Checked for accuracy,
15 arithmetically and accounting accuracy.

16 MR. JACQUES: Q. What about the billing
17 accuracy?

18 A. Yes. When I said arithmetic
19 accuracy I really meant the accuracy in billing people.
20 I must say they do not check every bill. I am not
21 informed as to what the order of spot checking is
22 adopted but it is presumed it would be a percentage
23 spot check or possibly all the bills over a certain
24 amount. I am not informed on that point but they do
25 audit both as to arithmetic accuracy and as to accounting,
26 the propriety of the accounting procedures that are being
27 followed.

28 THE CHAIRMAN: Do they check as to the legal
29 accuracy, as to whether the entries or expenditures or
30 collections are made according to the by-law or not?



1 THE WITNESS: No, sir, they don't get into
2 that aspect of the matter at all.

3 THE CHAIRMAN: So it is only arithmetically?

4 THE WITNESS: Yes, it is limited in that
5 sense.

6 THE CHAIRMAN: So it would be better to go
7 to the company for that if the by-laws and the
8 resolutions and authority were not checked every time.
9 The auditor is supposed to check that/possibly because
10 of the complexity of the subject they have to deal with
11 they do not go very deeply into that aspect of it.

12 MR. JACQUES: Q. We have established that
13 revenue as used in Exhibit No. 1295 means the total
14 billings for a given period?

15 A. Yes.

16 Q. Which is the first of March of one
17 year to the 30th of April the next year?

18 A. Yes, the 30th of March.

19 Q. The 1st of April to the 30th of
20 March?

21 A. Yes.

22 Q. Money paid to pilots. What is that?

23 A. That briefly is the wages that are
24 paid to pilots but inasmuch as there is nothing out-
25 standing in this item, revenue and cash disbursement
26 normally would be the same figure.

27 Q. I suggest to you that you do not use
28 the same basis for revenue and for monies paid to pilots
29 because the pilots may have revenue coming to them from
30 one particular year for which billing was done in that



1 particular year and yet not paid in that particular year
2 and they would not be able to get that money during
3 that year so I would submit it would not show as money
4 paid to pilots so you do not use the same basis for
5 money paid to pilots as revenue; unless we say that
6 revenue is cash receipts for that year because money
7 paid to pilots is based on cash receipts?

8 A. Well, I must explain I was addressing
9 my remarks here to the Great Lakes operation primarily
10 and here, of course, paid to pilots was salaries that
11 are paid to pilots.

12 Q. We will take as an example Halifax
13 for 1962-1963. Could we have the financial report
14 for Halifax for 1962-1963?

15 THE SECRETARY: I am afraid they might
16 not be available. They would be at the office. We
17 only have the St. Lawrence and the Great Lakes.

18 MR. JACQUES: If it is convenient, we
19 can postpone further examination on these documents
20 until we have an example of the annual report of the
21 local District.

22 THE SECRETARY: You can take Quebec or
23 Montreal, for that matter, which we have here.

24 MR. JACQUES: All right, let us take Quebec
25 for 1962-1963.

26 We are not going to get anywhere,
27 My Lord, because the annual reports are calendar year
28 reports while Exhibit 1295 is of a fiscal year.

29 Q. So, would you check on the meaning
30 of the word "revenue" on Exhibit 1295, that it is cash



1 received for the year?

2 A. Yes, for places like Sydney and
3 Halifax and so on but I must say I did not mention it
4 at the time, I was directing my remarks to the Great
5 Lakes pilotage, but it is perfectly true in such
6 Districts as our own domestic districts it is cash
7 here. For that reason the word "revenue" is a little
8 bit misleading. It is not precise enough.

9 Q. If you wish, we shall not make
10 any reference to the Great Lakes District. We will
11 deal with that later. We will concern ourselves with
12 Districts administered by the Minister; so I think it
13 is agreed that the word "revenue" actually means cash
14 receipts for the particular year?

15 A. Yes, that is correct.

16 Q. Or a period. And paid to pilots
17 is actually money paid to pilots and pension fund is
18 actual money paid to pension fund?

19 A. Yes.

20 Q. And expenses would be on the same
21 basis?

22 A. That is correct.

23 Q. Because if you take Halifax as an
24 example, you have a revenue of \$210,000.00, paid to
25 pilots \$198,000.00, pension fund \$10,000.00 and other
26 expenses \$2,000.00 and if you add the last three
27 figures it makes \$210,000.00?

28 A. Exactly.

29 Q. So revenue is cash receipts?

30 A. Yes.



1 COMMISSIONER RENWICK: My Lord, I would like
2 to question that at the moment. To my thinking
3 anticipated receipts would be revenue for the year the
4 same as in any commercial enterprise. Your accounts
5 receivable may be \$2,000,000.00. This would be for
6 the same year.

7 Now looking at British Columbia,
8 here, for example, in the year 1963 to 1964 I see
9 their gross revenue was \$1,372,000.00. If you get a
10 time lag between billing and actually having the money
11 in hand of about two weeks, which might not be
12 unreasonable, then you would be out so many thousand
13 dollars in your accounting, if you did not anticipate
14 payment of those billings -- although it is perfectly
15 legitimate and perfectly reasonable that accounts
16 receivables are treated as cash in hand. If they
17 are not collected they are written off next year and
18 that always balances it up.

19 THE WITNESS: Yes, sir. Well, your comments
20 are quite correct. Obviously monies expected to be
21 collected are assets in much the same way as money
22 that is already in the bank, but the statement made up
23 here is on a cash basis -- the amount of cash that
24 was collected, the amount of cash that was paid over
25 to the pilots, the amount of pension fund which was
26 remitted to the Receiver General and the "Other Expenses"
27 which subdivisions, three in number, total the gross
28 collections. For domestic Districts this is so and we
29 have what one might call a memorandum carrying forward
30 what is outstanding, and it does not appear here. We



1 have not listed this outstanding revenue which is not
2 directly collected.

3 COMMISSIONER RENWICK: As long as we
4 understand that, it is clear. I think it is wrong.

5 THE WITNESS: Well, this is the cash basis
6 on which this is done. Some other statements are
7 prepared in the same fashion. They do not give an
8 appraisal of the profitability of the operations, it
9 is perfectly true. They are really factual statements
10 of money transactions that have taken place.

11 COMMISSIONER RENWICK: Thank you.

12 MR. BRISSET: Does that apply to pilot
13 boats too or just cash receipts?

14 THE WITNESS: Well, no, sir. In some other
15 instances, as you recall, we have enumerated what
16 one might be pleased to call non-cash items, such as
17 depreciation charges and so on, so it does not apply
18 in all. I am afraid the presentation is quite complex.

19 MR. JACQUES: Q. So the revenue figures
20 you obtained from the local Supervisor?

21 A. Yes, sir.

22 Q. And they are checked for mathematical
23 accuracy and they are incorporated in this statement,
24 Exhibit 1295?

25 A. That is correct.

26 Q. What about the expenses? Who gives
27 you the figures relating to expenses? Where do you
28 get that from?

29 A. Some of these expenses, for the
30 most part they also arise and we are informed of them



1 from the local office. The local office, for example,
2 prepares a point sheet and an operating statement
3 showing all these operations and items and from that
4 statement they are incorporated here. Occasionally
5 there are some head office items also that go in, and
6 you have seen examples of them where we compute fringe
7 benefits, for example, and so on in our Great Lakes
8 operation, and these are produced in head office,
9 not in the field.

10 Q. Let us limit ourselves to the
11 column "Other Expenses" under the revenue which is
12 collected and is dispersed for pilots.

13 A. In our domestic Districts; this
14 is what you are referring to?

15 Q. Take Halifax for example?

16 A. The Halifax expenses -- all of these
17 here are supplied by the local office. That is to say,
18 the breakdown and the disposal and what has happened
19 to the revenue; they are all incorporated here. The
20 Receiver General total ---

21 Q. Just a minute. And these "Other
22 Expenses" are for one fiscal year?

23 A. They are for one fiscal year, yes.

24 Q. Would they be the amount of invoices
25 paid or invoices received during that calendar year?

26 A. The cash payment of those collections
27 is shown in this total here.

28 Q. So in 1963-1964 they might have
29 received an invoice relating to expenses for the
30 previous year and it would not have been shown on the



1 statement of the previous year, but on the 1963-1964
2 statement?

3 A. That is right. When you said
4 "invoices" I thought you first meant "receivables" --
5 invoices we sent out which were in due course paid.
6 But the same applies here to the invoices we are
7 debited with. If they do not come in in the year to
8 which they apply they do not appear anywhere. They
9 are paid the next year and they appear in that next
10 year's figures.

11 Q. So this does not show really what
12 the operation has been in one District for any given
13 year?

14 A. No, that is right. The profitability
15 or otherwise lacks this refinement of such items as
16 you refer to.

17 Q. "Receiver General revenue" -- what
18 would that be?

19 A. That is solely cash also.

20 Q. As paid to the Receiver General or
21 as received by the local Authority?

22 A. I am not quite sure; I think it
23 is as received by the local Authority, although there
24 is very little difference indeed between those two
25 times. They are remitted periodically at short intervals
26 from the local office, so there is unlikely to be very
27 much discrepancy between those two figures on those
28 two bases.

29 Q. What about the operating expenses;
30 where do you get these figures from? They are included



1 in Schedule A for cash operating expenses and for non-
2 cash expenses in Schedule B. Where do you get these
3 figures?

4 A. These are obtained from the
5 Financial Services in head office and not from the
6 field in general.

7 Q. Would your section, the Pilotage
8 Division, check these figures in any way or are they
9 just supplied to you as a whole and you incorporate
10 them in your report?

11 A. The latter is very largely the
12 case. We do keep track of one or two certain types
13 of items such as repairs to pilot vessels, which are
14 quite large sometimes, and we keep running totals.
15 Therefore we are in a position to check figures supplied
16 by Financial Services. But in general the answer is
17 no, they are supplied to us.

18 Q. With respect to Schedule A I do
19 not know if you are able to answer this question. It
20 is entitled "Statement of Cash Expenses paid from vote
21 226 for fiscal year 1963-1964." What does that mean?
22 Does it mean that it is money paid out of a vote and to
23 be included in this Schedule it must have been paid?

24 A. Actually paid out.

25 Q. During that fiscal year?

26 A. That is correct, and the fact that
27 it leaves outstanding certain bills that we have not yet
28 paid is irrelevant and is not reflected in this state-
29 ment.

30 Q. Is it possible that, say, within vote



226 for the fiscal year 1963-1964 monies would have been used to pay for expenses for the previous year?

A. Oh, yes, it is quite possible. For example, if we were building a pilot vessel it may well be that the progress payments given at the end of the fiscal year might be a certain figure but the work done on the vessel at that precise moment would be in excess of that and we would owe the builder so much more. But while it was owed it would not yet appear as paid.

Q. And it would not be included in Schedule A of that year?

A. No, not as a disbursement item.

Q. With respect to Schedule B, non-cash expenses for fiscal year, do you know the basis on which this is calculated?

A. Yes. The depreciation figure is an estimate of the rate of obsolescence of the vessel concerned and the capital value for the purpose of writing off the depreciation as established and at a given rate a sum is set aside each year so that in theory at the end of the life of the boat this entire money has been taken care of and in theory there is a sum of money available for the purchase of a new vessel. This is largely theory though. We do not replace the vessel by one of precisely the same cost or for that matter size, but nevertheless this is done in an endeavour to determine the cost of the pilot boat operation. There is a charge levied against the industry, which was an approximate fraction -- very



1 roughly about one-half (it is less than that for some) --
2 and we use these figures to endeavour to determine
3 what is the cost of our pilot boats taking into account
4 the capital cost.

5 Q. With respect to the mention of
6 "employees' fringe benefits" appearing in Schedule B,
7 what does that represent?

8 A. That represents a number of benefits
9 including death benefit, pensions, sick benefit for
10 being off.

11 Q. Sick leave ?

12 A. Sick leave and so on, and it is
13 variously estimated ranging from about 15% to something
14 of the order of 23% according to whether the man
15 elects to take some of these or whether he is in a
16 position to elect to take some of these. For example,
17 if he has been in the service less than 24 months he
18 cannot take advantage of the pension benefit and
19 therefore his fringe benefit is a less percentage of
20 his monetary salary by that fact.

21 Q. Why is it included in a statement
22 of non-cash expenses?

23 A. There is no cash payment during
24 that period to cover this sum. For example, a pilot
25 might receive \$1,425.00 per month and in theory in
26 addition to that he receives a further -- very approxi-
27 mately it is 12% listed there. It is really on a 12-
28 month basis. It would be something in the neighbourhood
29 of 20%. There is no cash transferred in this operation.
30 It is merely a benefit that the man enjoys and may later



1 turn out to actuality, but in the meantime it is merely
2 a potential benefit.

3 Q. So you include it in the statement
4 of non-cash expenses because it is a potential liability
5 as far as you are concerned?

6 A. That is correct.

7 Q. And this statement does not show
8 what has actually been paid to the pilots by way of
9 fringe benefits? I should not say to pilots; excuse me
10 -- paid by way of fringe benefits to employees?

11 A. That is correct.

12 Q. Could we find that out somewhere
13 in the statements?

14 A. How much we have paid out of these
15 fringe benefits? We could. I am not in a position to
16 say. It must be a very, very small sum to date.

17 Q. What do you include in the word
18 "employees" used in Schedule B?

19 A. Well, we include here employees --
20 primarily, for example, there are the pilots in the
21 Great Lakes Basin and also our boatmen.

22 Q. I show you Exhibit 1146, which is
23 a schema of the Nautical and Pilotage Division of the
24 Department. In the expression "employees" as used in
25 Schedule B of Exhibit 1295 for 1963 - 1964, what would
26 be included?

27 A. It would include the names ---

28 Q. Wait a minute. It is very difficult
29 to follow. Roughly there are four sections under the
30 Chief Nautical and Pilotage Division. There is the



1 Superintendent, Nautical Regulations; the Superintendent,
2 Nautical Examination; the Supervisor, Registry of
3 Shipping; and lastly the Superintendent of Pilotage?

4 A. Yes. Well, these items appear here
5 under the title of "employees' fringe benefits". They
6 are benefits that accrue to the employees in our
7 pilotage operation in the field. Against each
8 District would be, as I have said, the boatmen, the
9 pilots (if they were Civil Service employees), the
10 dispatchers, the accountants, the clerks, the Superintend-
11 ent or the Supervisor, and so on.

12 Q. Would it include the Signal Service
13 people?

14 A. It would. The Signal Service
15 people are all under Pilotage on Signal Service. The
16 operation is really one and indivisible in that sense.

17 Q. So in short it would include all
18 the employees listed under the Superintendent of
19 Pilotage?

20 A. That is correct.

21 Q. Including the Superintendent?

22 A. No; for the Superintendent, the
23 head office people, we have listed them here in the
24 locality, in Goose Bay, Sydney and so on.

25 Q. I am sorry. It shows a fringe
26 benefit of \$13,000.00?

27 A. That is right, and down in that item
28 are the head office people.

29 Q. So "employees" mentioned in Schedule
30 B would mean all the employees under the Superintendent



1 of Pilotage in Ottawa, including the office Super-
2 intendent?

3 A. That is correct.

4 MR. LALONDE: And the Civil Service pilots
5 in Port Weller-Sarnia?

6 THE WITNESS: Yes.

7 MR. JACQUES: Q. We referred to Exhibit
8 1146. My friend, Mr. Lalonde, wishes me to clarify
9 one point. Exhibit 1146 gives the names of all the
10 pilots whether they are civil servants or not, but the
11 Exhibit makes a difference between pilots who are civil
12 servants and pilots who are not. Where pilots are
13 civil servants it is indicated in Exhibit 1146.

14 Captain, can you give the Commission
15 any explanation of the various Schedules contained in
16 the Annual Statistical Report, the red book? Are you
17 able to explain these things?

18 A. No, I am not. I am not familiar
19 with that red book in any detail at all. This is not
20 prepared by our Division.

21 Q. I understand that it is prepared
22 by the --

23 A. Financial Services.

24 Q. Financial Services?

25 A. Yes, although I see immediately
26 that one of the figures here tallies with the exact
27 same figures that we show here, namely the 1962-1963
28 operation expenditures for Port Weller-Sarnia. However,
29 in general I am not able to speak authoritatively on
30 that.



1 MR. JACQUES: I think, My Lord, it might be
2 proper to ask that someone appear before the Commission
3 to explain these annual statistical reports because
4 in some cases the figures do not agree with Exhibit
5 1295.

6 THE CHAIRMAN: This is a fact; those
7 documents are a fact and we have to take care in our
8 report to explain what they are. So we shall have
9 some explanation of that.

10 MR. JACQUES: Q. Would you know to whom
11 this document, the red book, is distributed?

12 A. No, sir, I am not aware to whom
13 this goes.

14 THE SECRETARY: If I may be permitted, I
15 merely want to ask one question for the purpose of
16 clarification, My Lord. It is noted that the
17 information contained in these statements, annual
18 statements, are for the fiscal years 1960-61 through
19 to 1963-64, derived from information obtained from
20 the various departmental statistics; is that correct?

21 THE WITNESS: Yes.

22 THE SECRETARY: The question that I want
23 to ask you now relates to the purposes for which these
24 statements are compiled. Are they compiled for the
25 information to be sent over to the Financial Division
26 of the Department of Transport, or were these statements
27 compiled for the Commission only or what was the
28 purpose? What is the purpose of the statement? Is
29 it for your information or what, since it is made from
30 statements coming from the Districts which are on a



1 calendar year, and this is fiscal year, March to April
2 or April to March?

3 THE WITNESS: I may explain that formerly
4 we made no such statements as this, and it has not
5 been until recent years that this has been required.

6 THE SECRETARY: Required by whom, if I
7 may ask?

8 THE WITNESS: That we have been asked to
9 provide them, and the Financial Services were very
10 much involved in them. I think that they initiated
11 these statements with us working with them on the
12 statements. We did not primarily draw up this type
13 of statement ourselves for our own use. The answer is
14 no, we did not.

15 THE SECRETARY: Do I take it from your
16 answer these statements are intended for the information
17 of the Financial Services Division of the Department?

18 THE WITNESS: Yes, and they initiated the
19 preparation.

20 THE SECRETARY: So presumably they will be
21 able to explain the reason why the information contained
22 in these statements is not necessarily the same as
23 the information that appears in the red book?

24 THE WITNESS: Yes, they should be able to
25 explain that.

26 THE SECRETARY: Thank you very much.

27 MR. JACQUES: Might I suggest that cross-
28 examination on these documents take place now in order
29 to keep the record straight because I am moving to a
30 totally different field. I do not think there is any



1 objection from other counsel. It might be easier for
2 Your Lordship when you read the evidence afterwards.

3 THE CHAIRMAN: All right.

4 -----
5 CROSS-EXAMINATION BY MR. LALONDE:

6 Q. Captain Jones, I notice that the
7 fringe benefits allocated in 1960-61 are estimated at
8 19% except for Port Weller and Labrador where the
9 rate used was 12½%. I think you answered this
10 question but I missed the answer. What was the reason
11 for the difference?

12 A. Both in Port Weller and in Labrador
13 these people work for fractions of the year only. In
14 fact, in Goose Bay they work about six months and in
15 the Great Lakes Basin for eight months, and therefore
16 they do not enjoy the full year's coverage. It is
17 really that fraction of the year.

18 As a matter of fact, I may add, the
19 pilots of the Great Lakes have asked that their annual
20 salary be distributed over the whole year so that they
21 may get this additional higher rate of fringe benefit,
22 but no action has been taken on that.

23 Q. It is still under consideration?

24 A. Well, in fact, the answer was no,
25 to be frank.

26 Q. It was turned down?

27 A. Yes.

28 Q. Now you go on in 1961-62 to state
29 that fringe benefits were carried at the rate of 15½%
30 of straight time payroll. Schedule B of 1961-62. What



1 happened there? We go down from 19 to 15½, and I
2 forget, about 12½?

3 A. Well, I'm not able to say exactly,
4 but in principle this takes place if there are a large
5 number -- an influx of civil servants to the service.
6 In the earlier years they were not permitted to enjoy
7 the benefit, for example, of the pension fund.

8 Q. Yes?

9 A. And so their fringe benefits,
10 expressed in percentage, is smaller. This is essentially
11 the reason, but why it comes to exactly 15%, I'm afraid
12 I can't say.

13 Q. On this Schedule B, 1961-62, there
14 would apply the straight rate of 15½% fringe benefit
15 for everybody? Would you look at Schedule B for 1961-
16 1962, the last line at the bottom of the page?

17 A. Yes, 15½% of straight time payroll.

18 Q. And this would apply for everybody?

19 A. I may say that this was presumably
20 found to be -- this is the actual amount expressed in
21 a percentage term, although I merely say that as a
22 plausible explanation. I cannot assure you that it is
23 so. The people who prepared this statement evidently
24 found it so.

25 Q. 1962-63, you still go on with 15½%,
26 and 1963-64, it may have been a typing error, but it
27 was down to 15% on my sheet here. Is there a particular
28 reason why the ½% --

29 A. Well, I doubt very much if it is
30 a typographical error. It is probably there were few



1 people taken on, as you recall during this time, and
2 it might have resulted in an aggregate fringe benefit
3 which, expressed in terms of percentage, came to 15%,
4 but I would have to look into that to be sure.

5 I am told that it is a typing error.

6 Q. It is 15½%?

7 A. Yes.

8 Q. You state that the fringe benefits
9 would vary from 15 to 23% in the Civil Service?

10 A. Yes, I said that, and this is an
11 estimate on a man, for example, 23%, taking every
12 possible benefit he was eligible for.

13 Q. I see. And that is a recognized
14 portion in the Civil Service generally?

15 A. This figure was given us by
16 Personnel, and I have accepted it as being correct.

17 Q. I would like to draw your attention
18 to the expenses of the Ottawa headquarters from 1960-61
19 to 1963-64. I have made a rapid calculation of the
20 increase in total operating expenses. If you take
21 the first page, the first summary of each year, the
22 increase in total operating expenses excluding
23 headquarters, from 1960-61 to 1963-64, with an
24 increase in total operating expenses at headquarters
25 for the same period. If you look at 1960-61, on
26 the first page you have \$1,863,000.00 as a total?

27 A. That is correct.

28 Q. You subtract \$77,000.00, and I get
29 \$1,529,000.00?

30 A. \$77,000.00 off \$1,800,000.00 --



1 Q. I'm sorry. I will raise this
2 question later. It was an error in calculation here.
3 I made it too rapidly.

4 If you wish, take the salaries
5 and wages, a piece of each only -- let's leave out
6 total expenses for the time being --

7 A. Yes.

8 Q. Go to Schedule A.

9 A. 1960-61 it is listed as aggregate
10 of \$336,000.00. This is for pilot boats.

11 THE SECRETARY: Salaries and wages?

12 THE WITNESS: Is it under administration?

13 MR. LALONDE: Q. \$68,000.00 for Ottawa,
14 I understand.

15 A. For 1960-61, salaries and wages,
16 administration.

17 Q. It is \$57,000.00?

18 A. That is correct.

19 Q. Then if you go to 1963-64 it
20 goes up to \$86,000.00 ?

21 A. Yes. That \$86,000.00 includes
22 \$15,000.00 of senior officials.

23 Q. Yes. CNP?

24 A. And DMR.

25 Q. Director of Marine Regulations?

26 A. Yes.

27 Q. And CNP?

28 A. Chief, Nautical and Pilotage.

29 THE CHAIRMAN: It is included in both
30 anyway?



1 THE WITNESS: Yes.

2 MR. LALONDE: Q. We can take these figures
3 as such, and the figure for 1961-62 is \$63,000.00, and
4 for 1962-63, \$90,000.00?

5 A. Excuse me, is it \$57,000.00 for
6 1960-61?

7 Q. \$57,000.00, and then you have
8 1961-62, \$63,000.00.

9 A. 1962-63 is \$90,000.00?

10 Q. Yes, 1961-62 is \$63,000.00. You
11 don't seem to be able to find it.

12 A. Yes, I have it. \$63,000.00. I
13 am very sorry.

14 Q. Then you go from the first year,
15 \$57,000.00, the second year is \$63,000.00, the third
16 year is \$90,000.00 and the fourth year is \$86,000.00?

17 A. Yes.

18 Q. Which from 1960 to 1964 would
19 represent an increase of roughly 50%?

20 A. That is correct.

21 Q. Will you look at the administration
22 expenses and take salaries and wages again as the
23 only basis, and if you look at Montreal, for instance --
24 let's take the first year and the last year, Montreal,
25 Schedule A, 1960-61, where you have \$110,000.00?

26 A. That is correct, sir.

27 Q. If you go now to 1963-64 you have
28 a figure of \$97,000.00?

29 A. That is correct.

30 Q. Which in this particular case would



1 represent a decrease in the salaries and wages at
2 Montreal for the three Districts of Cornwall, Montreal
3 Harbour and Montreal, Quebec; is that correct?

4 A. Yes.

5 Q. Then if you take B.C., 1960-61,
6 you have \$67,000.00?

7 A. Yes.

8 Q. And in 1963-64 you have \$65,000.00?

9 A. That is correct, sir, yes.

10 Q. Which still again would represent
11 a decrease of \$2,000.00 in that case in the salaries
12 and wages over the last four years.

13 If you take the Quebec case you
14 will notice it was \$50,000.00 in 1960-61?

15 A. Yes.

16 Q. And now it is \$67,000.00?

17 A. Yes, sir, that is correct.

18 Q. Do you know any particular reason
19 why the cost of salaries and wages at headquarters
20 would have increased about 50% in the last four years
21 while in the most important Districts it either
22 decreased or increased much less proportionately?

23 A. Yes. In part these changes reflect
24 both increases that have taken place in the interim,
25 and also --

26 Q. Increases in what?

27 A. Increases in salary level.

28 Q. I see.

29 A. And also there have been absences --
30 vacancies arising, for example, in Quebec, for some



1 considerable time where we were lacking a Supervisor,
2 and this reflects in the lower cost.

3 Q. Could it not be that in effect this
4 would show a greater concentration of personnel in
5 Ottawa compared to the personnel required in the
6 various Districts locally? Certainly the increases
7 in salaries are not limited to Ottawa. They would go
8 down the line pretty well?

9 A. This is true. In the Districts
10 there have been very little increase in personnel,
11 in numbers of personnel, while in head office there
12 has been a number -- for example in this period we
13 kept a great deal more statistics. As you recall
14 possibly, we started keeping data on pilot revenue
15 and so on in headquarters by means of punch cards,
16 and this took, of course, a number of people.

17 Q. Yes?

18 A. But other than that there have been
19 no -- with one exception -- there has been no change
20 in the technical level during that time.

21 Q. In effect if you look at B.C. and
22 Montreal, I submit to you there were very few vacancies
23 in personnel between 1960 and 1964.

24 A. No, with the exception of the
25 Supervisor, but I should add I am reminded that in this
26 last year we took a number, a significant number of
27 casuals to prepare statements for the Royal Commission,
28 and this of course is reflected in the increased salaries
29 of headquarters.

30 Q. Would you have started this even in



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1 1962-63, because in 1962-63 your expenses in salaries
2 and wages were \$4,000.00 higher than in 1963-64.

3 A. Certainly, yes, we started during
4 part of that time.

5 Q. With all this additional
6 personnel, you are not quite ready yet for this
7 Commission?

8 A. I wouldn't say that, sir.

9 MR. LALONDE: Well, we have to wait for you.
10 I have no more questions on this, My Lord.

11 THE CHAIRMAN: So now we will adjourn until
12 tomorrow morning at ten o'clock.

13
14 ---WHEREUPON THE HEARING WAS ADJOURNED AT 5:00 P.M.
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ROYAL COMMISSION

ON

PILOTAGE

HEARINGS

HELD AT

OTTAWA

VOLUME No.:

145

DATE:

Sept. 23, 1904

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ROYAL COMMISSION ON MARINE PILOTAGE

Proceedings of the hearing held
in the Exchequer Court Building,
Ottawa, Ontario, Wednesday,
the 23rd day of September, 1964.

COMMISSION:

The Honourable Mr. Justice Bernier	Chairman
Mr. Robert K. Smith	Member
Mr. Harold A. Renwick	Member
Mr. Gilbert Nadeau	Secretary

COMMISSION COUNSEL:

Mr. Maurice Jacques

PRESENT:

Mr. J. Brisset, Q.C.	for the Shipping Federation of Canada
Mr. Marc Lalonde	for the Federation of St. Lawrence River Pilots; Corporation of the Lower St. Lawrence Pilots; Cor- poration of Montreal Harbour Pilots; Corporation of the Mid-St. Lawrence Pilots; Corporation of the St. Lawrence River and Seagay Pilots; Corporation of the Upper St. Lawrence Pilots
Mr. R. Langlois	for the Canadian Merchant Service Guild



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Ottawa, Ontario,
Wednesday,
September 23, 1964

---Upon commencing at 10.00 a.m.

D. R. JONES, recalled

THE CHAIRMAN: Before we start, I just wish to inform you that the agenda I gave you the other day will be firm now; meaning that on the week of October 19th we will have a hearing and on the week of November 2nd we will have a second hearing if the evidence is not finished and then we have Pleadings on the weeks of the 23rd and 30th of November and our trip to New York will take place some time during the week of the 26th of October. We do not know exactly whether we will be there on a Wednesday or Tuesday. We are making arrangements now. We plan to be two or three days there and if any counsel are interested in accompanying us, our Secretary will be able to tell you in a few days our programme

THE SECRETARY: I might also add, my lord, that there have been minor changes in the hearing schedule pertaining to next week. We have listed on the agenda for this week the Department of Labour on the 25th. They will be coming instead on September 29th, next Tuesday, and the National Harbours Board, which was originally placed on the schedule for September 15th will be on September 30th, the last day of the month.



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October 2nd remains firm for Canadian
Western Services and October 1st anything left over
from this week will be heard.

MR. JACQUES: On September 28th
the International Association ---

THE SECRETARY: That remains firm.

CROSS-EXAMINATION BY MR. LALONDE:

Q. Captain Jones, we saw yesterday that the salaries and wages of the headquarters had increased by 50 per cent in the last four years while the expenses of your other main districts either decreased somewhat or increased slightly.

Now, if we were to look at the total expenses, that is not only salaries and wages, but the total expenses including the non-cash expenditures and all other cash expenditures, we have the following figures, have we not: for 1960-1961 you have a total of \$1,863,000?

A. Yes.

Q. You have out of that \$77,000 for the Ottawa Headquarters?

A. That is correct.

Q. Which leaves on my corrected figures of yesterday, \$1,786,000?

A. Yes, that is right, sir.

Q. Now, if you go to 1963-1964 you see \$1,832,000?

A. Yes, sir.

Q. One hundred and fourteen thousand



1 dollars for the Ottawa Headquarters, and if you
2 deduct that \$114,000 from the \$1,832,000 you will
3 get \$1,718,000?

4 A. That is correct, sir.

5 Q. This would indicate a decrease of
6 something like \$70,000 in the total expenditures out-
7 side of Ottawa from 1960 to 1964?

8 A. Yes.

9 Q. And an increase of a little over
10 \$40,000 in Ottawa from 1960-1961 to 1963-1964?

11 A. Thirty-seven thousand dollars.

12 Q. Which would represent an increase,
13 which I have calculated at 32.4 per cent or a little
14 over 30 per cent?

15 A. Yes, it is a little more than that.

16 Q. While your outside expenditures
17 would have decreased by something like 4 per cent?

18 A. Yes. Your statements are supported
19 by the figures here. This is right. I agree with
20 your comments.

21 Q. If you look at the figures for 1961-
22 1962, 1962-1963, you will find that the increase has
23 been pretty steady in Ottawa Headquarters over all
24 that period. Is that not correct?

25 A. Yes, there has been an upward --
26 steady upward trend. The trend itself is not steady
27 but the upward tendency is steady.

28 Q. Now, on another matter, I would like
29 to refer you to the Port Weller-Sarnia statement. The
30 figure you have here for 1960-1961 would appear to



1 show a loss or a deficit of something like \$41,000.
2 You have \$562,000 revenue and \$603,000 total operating
3 expenses?

4 A. Yes, sir.

5 Q. Now, if you go on to the following
6 year you there have a surplus of \$67,000; that is,
7 \$681,000 revenue and \$614,000 expenses?

8 A. Yes.

9 Q. In the following year you have
10 a surplus of \$14,000 and that is \$522,000 revenue
11 versus \$518,000 expenditures?

12 A. That is right.

13 Q. In 1963-1964 you have a loss of
14 \$12,000, that is \$513,000 versus \$525,000?

15 A. Yes.

16 Q. When you make these calculations
17 or when you arrive at this total figure of expenses,
18 you insert in those figures of expenses the total
19 amount which has been allocated under the heading
20 Fringe Benefits, do you not?

21 A. This is right, yes, and also other
22 non-cash items.

23 Q. Well, I would like to raise these
24 fringe benefit questions. In your statements here
25 it appears as if the total amount which you have
26 allocated for fringe benefits has been actual expenses
27 in the district. Is that correct?

28 A. Yes, this is correct.

29 Q. You stated that in effect the total
30 expenses would have been much lower for fringe benefit



1 purposes. You stated that yesterday. The actual
2 expenses under the heading Fringe Benefits ---

3 A. Are a lesser sum than this sum here.

4 Q. Yes, much less than ---

5 A. This \$66,000 figure?

6 Q. Yes, whatever it is, \$66,000 or
7 \$73,000 allocated every year?

8 A. That is correct.

9 Q. That is what you said yesterday?

10 A. Yes, for this item other non-cash
11 expenses includes items other than fringe benefits for
12 pilots.

13 Q. Yes, but if you look at the figure,
14 for instance, for 1960-1961 what do you find ---

15 MR. JACQUES: Schedule B.

16 THE WITNESS: For example ---

17 MR. LALONDE:

18 Q. You will find the fringe benefits
19 actually are \$53,000 in that particular case?

20 A. Yes.

21 Q. You have \$2,000 allowance for rental
22 of the building from the Department of Public Works?

23 A. Yes, that is right.

24 Q. So, if you look at the following year
25 you will have pretty well the same figures and ---

26 A. The same proportion.

27 Q. The same proportion. The largest
28 amount is obviously fringe benefits?

29 A. Yes. Without looking at it this
30 seems most plausible.



1 Q. 1963-1964 you have \$64,000 for
2 employees' fringe benefits, and again \$2,000 for
3 DPW accommodation?

4 A. Which year is this?

5 Q. 1963-1964.

6 A. Yes. The total was \$66,000 non-
7 cash items of which \$64,000 was fringe benefits,
8 employees' fringe benefits.

9 Q. Yes, and \$2,000 DPW accommodation?

10 A. Yes.

11 Q. And 1962-1963 you will notice the
12 same proportion again. Employees' fringe benefits,
13 \$59,000, and \$2,000 DPW accommodation, so that for all
14 practical purposes we can consider these other expenses
15 as employees' fringe benefits except for \$2,000?

16 A. Yes, not very significant.

17 Q. Quite obviously somebody who would
18 read this would be under the impression that over the
19 years the operation has either operated at a loss or
20 has just balanced out one year with the other. Is
21 that correct?

22 A. Yes, and as a primary aim this was
23 seriously -- it was a major factor for the establish-
24 ment of the rates. There were other factors that
25 came in as well, of course.

26 Q. Is it possible the employees' fringe
27 benefits would have been inserted at that particular
28 place on that particular basis in order that the
29 surplus would not appear too high?

30 A. No. On true accounting, as you will



1 understand, we have to take into account not merely
2 cash disbursements but also obligations, liabilities
3 which are incurred and these are of that nature.

4 Q. Okay, but what puzzles me is that
5 the rest of this statement, from what you said yester-
6 day, was on the basis of cash expenditures and cash
7 revenues?

8 A. Yes. First of all I may say that
9 government accounting there is on the cash basis, not
10 only memorandum accounts or liabilities or moneys due
11 them and assets that are due them and not paid, and
12 this is the manner in which these statements for
13 domestic districts are made up but the Great Lakes
14 Districts are self-sustaining or supposed to be self-
15 sustaining. When we establish the rates, we
16 establish them with this exact idea in mind.

17 Q. What appears as revenue, for instance,
18 in Port Weller-Sarnia, take that district?

19 A. Yes.

20 Q. Is that a fact that what appears
21 under Revenue is cash receipts; \$562,000 in 1960-61?
22 This is what the Receiver-General or the government
23 has been paid from pilotage dues during that year?

24 A. Plus the assets represented by un-
25 collected bills.

26 Q. Plus the assets ---

27 A. Plus outstanding pilotage dues.

28 Q. In that particular case this would
29 have been done ---

30 A. It must have been done ---



1 Q. You are sure of that?

2 A. I am not in a position to vouch for
3 the arithmetic accuracy of this one but it would be the
4 most logical to follow, otherwise. there is an imbalance
5 between the two sides of the one statement.

6 Q. This would not be the first time this
7 had occurred in the government?

8 A. Or anywhere else perhaps, but it
9 otherwise distorts the entire picture.

10 Q. I know. That is why I asked you
11 the question.

12 A. This is why I stated yesterday this
13 must be done this way in the Great Lakes area because
14 these districts are self-sustaining. The entire
15 operation is based on a so-called revenue basis, not
16 on a cash basis.

17 Q. So that you are telling us that while
18 in the other districts this column under the item
19 Revenue would be on a cash basis in the Port Weller-
20 Sarnia district it would be on a real revenue basis?

21 A. Yes, and also Port Arthur, District
22 No. 3.

23 Q. That is not shown here?

24 A. No, it was for that one year and they
25 just added the two things together but in future years
26 they separated them and the same remark applies.

27 Q. I submit to you that what you are
28 stating time is that what you presume has been the
29 approach to this statement as being a logical basis
30 by which it should have been done. Is that correct?



1 A. Yes. I feel that inasmuch as this
2 is done by competent people that it was so done.

3 Q. You do not know personally, do you?

4 A. Well, no. I didn't do this work
5 personally and for that reason I cannot vouch for the
6 arithmetic accuracy of each item.

7 Q. You do not know personally on what
8 basis this was done?

9 A. No, except that I spoke to the people
10 doing it and they know and moreover know accounting
11 because they are chartered accountants or CPA's and
12 further I have discussed this matter with them at the
13 time that was made up.

14 Q. Did they state to you this was done
15 on a real revenue basis and not a strict cash basis?

16 A. Well, I cannot recall the conversa-
17 tion now but I feel sure it must be so.

18 Q. You are assuming that this is what
19 was done?

20 A. Yes. I think it is a reasonable
21 assumption and I do not make the dogmatic statement
22 if I am really not in a position to make any further
23 comment than that.

24 Q. Now, when you look at the Port
25 Weller-Sarnia District again there doesn't appear to
26 be any deduction for 1960-61 and all the other years --
27 there doesn't appear to be any deduction from the
28 salary and allowances to DOT pilots for pension fund
29 contribution. I presume they must be paying the
30 six and a half per cent or whatever it was, of their



1 pension fund?

2 A. Yes.

3 Q. Six and a half per cent, is that
4 correct?

5 A. Yes. Well, that has changed, as you
6 know, during the years but this is a personal payment by
7 which their salaries go to increase this money and in
8 return a small deduction -- the six and a half per
9 cent deduction -- goes in as a personal pension and
10 it is received by the Receiver-General, of course.
11 In effect, what it really amounts to, as you are aware,
12 it gives them the net cheque so that they get the gross
13 sum and sort of remit to the Receiver-General these
14 but in actual effect the net cheque goes out only.

15 Q. While in all other districts the
16 deduction was made automatically for the pension fund;
17 here there is no specific provision for that purpose.
18
19
20
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1 A. Oh, yes.

2 Q. In the figures you have ---

3 A. Essentially the same thing takes
4 place. The gross salary of fourteen twenty-five,
5 or as it was before, thirteen eighty-five, is charged
6 as salary. The deduction is a personal deduction,
7 and is retained by the Receiver-General.

8 In the other districts, the pay to
9 pilots is gross, and this particular item then is
10 shown separately as a contribution to pension fund
11 where here it appears as a non-cash item simply be-
12 cause it happens to be their employer is the govern-
13 ment.

14 Q. Because they are employees of the
15 government their contribution to pension fund would
16 not appear separately on the statement?

17 A. It is a very high percentage of the
18 non-cash items listed in the right-hand column of
19 that Schedule B. The fringe benefits.

20 Q. It isn't the same. It is not the
21 same $6\frac{1}{2}$ per cent?

22 A. No, I am sorry.

23 Q. Which appears under non-cash items?

24 A. May I correct myself? Six and a
25 half per cent is part of that very high proportion of
26 fringe benefits. It is one of the fringe benefits.

27 Q. I submit to you that you are wrong
28 on this point. The six and a half per cent you have
29 taken from the pilot's salary is his own contribution.
30 It is not an expenditure of the government.



1 A. I am sorry, I am wrong. The other
2 6½ per cent which is given by the government appears
3 here. May I recall that comment?

4 Q. Again is there any particular reason
5 why their own contribution to the pension fund would
6 not appear on a separate item as at Port Weller-Sarnia?

7 A. Yes. I think this is logical. It
8 is consistent with the fact that this is an arrange-
9 ment with their employee who happens to be the same
10 person who is running the district, and the government
11 is the same person, and therefore it has a dual aspect
12 in this matter. But essentially we are aware of the
13 6½ per cent, and this is taken into account when their
14 salary is computed as are the fringe benefits also.
15 We are aware that they don't receive in cash all their
16 full salary.

17
18 CROSS-EXAMINATION BY MR. LANGLOIS:

19 Q. In cases where the districts overlap,
20 how are the operating expenses apportioned between the
21 two districts? For example, you have Quebec District
22 and Montreal District.

23 A. The expenses listed here in Schedule---

24 Q. In the first sheet of each year?

25 A. If the initiating office -- in some
26 instances it is arbitrary, and in others it follows
27 the source of where the expenditure is made. When
28 I say "arbitrary" I refer to the fact that, for example,
29 a Teletype charge where the line is shared by both,
30 the subdivision is made on an arbitrary but nevertheless



1 reasonable basis, on the basis of activity of the two
2 districts.

3 Where individual items are concerned,
4 if the charge initiates, for example, in Quebec, then
5 it is considered a Quebec charge. If the item
6 initiates in Montreal -- of course if it initiates in
7 Montreal it must be Montreal business.

8 There is one further comment, how-
9 ever, Montreal has subdivisions in itself, the harbour
10 and the river, and myself, I am not sure sure how this
11 is divided, but I assume it is on an arbitrary basis,
12 pro rata, compared to the activity, but I would have
13 to look that up.

14 Q. It would not be on the basis of
15 the number of pilots affected in each district? For
16 example, you have somewhere around 82 pilots in the
17 river operating out of Montreal, and 16 pilots out
18 of the harbour?

19 A. It might be. We will look into it
20 further. As I say, if it can be earmarked against
21 one particular operation, then it is so earmarked.
22 If it is a function that serves both, then it is
23 done on some basis, some reasonable but nevertheless
24 arbitrary basis, and I may say I don't know.

25 Q. I am thinking in particular of the
26 salaries that are paid certain employees.

27 A. Yes.

28 Q. That do both jobs.

29 A. Yes. This is exactly the sort of
30 thing I had in mind when I say they serve both functions,



1 and it has to be done on a split -- a subdivision made
2 on some arbitrary basis.

3 Q. Would it be possible to find out
4 exactly the criteria used?

5 A. Yes.

6
7 CROSS-EXAMINATION BY MR. BRISSET:

8 Q. Captain, if one wants to find the net
9 cost to the government of operating pilotage in all the
10 districts listed in Exhibit 1295, which is practically
11 the whole of Canada so far as important ports and
12 rivers are concerned, am I right in assuming you would
13 take -- let's use for example 1963-64 -- you would
14 take a figure of \$1,832,000?

15 A. Excuse me, \$1,863,000.

16 Q. For 1963-64.

17 A. I am sorry, sir.

18 Q. \$1,832,000, and deduct from this
19 figure the total of the Receiver General revenues
20 of \$240,000 for pilot boats and \$576,000 for other
21 revenue which would give you a net operating cost of
22 \$1,016,000?

23 A. No, I don't think this result so
24 obtained would really give a very accurate picture.
25 For example, here we have the Great Lakes operations
26 which are self-sustaining, I might say, for the moment,
27 and therefore the expenses that are so listed there,
28 listed for those places, would first of all have to
29 be deducted.

30 Q. That is exactly what we are doing.



1 A. Then you have to take the pilot boat
2 revenue also off.

3 Q. That is what we are doing. Will
4 you look at your operating expenses which is the third
5 column from the right? You have the figure of
6 \$1,832,000?

7 A. Yes, sir.

8 Q. That includes the cost of pilot boats?

9 A. It does.

10 Q. It includes the cost of the salary
11 and other expenses of the Port Weller-Sarnia District?

12 A. Yes.

13 Q. Now, to get the net you deduct, I
14 would imagine, what you received by way of revenue on
15 the pilot boats?

16 A. Yes.

17 Q. And you also deduct what you receive
18 by way of revenues or pilotage dues collected in the
19 Port Weller-Sarnia District, Goose Bay, Labrador,
20 District, and so forth, which is under the heading of
21 "Other Receiver General Revenue." I can't see it
22 otherwise. If you want to get the net.

23 A. Yes, that is right, yes.

24 Q. Now, having made these calculations
25 for the four years in which we are interested, I arrive
26 at a figure of \$1,016,000 for 1963-63, \$930,000 for
27 1962-63, \$940,000 for 1961-62 and \$1,048,000 for
28 1960-61, having followed that same procedure?

29 A. Yes, sir.

30 Q. Now, these net costs to the Canadian



1 government include, of course, the item Ottawa Head-
2 quarters in all cases?

3 A. Yes.

4 Q. I would like to pass on, captain,
5 to some particular points which I have noted in going
6 over the statements. For instance, the cost of
7 operating pilotage services on the east coast as
8 compared, for instance, with the St. Lawrence River,
9 and I would like to take Halifax as an example.

10 Would you use the figures for the
11 year 1963-64?

12 A. Yes, sir. I have them here.

13 Q. You have as the total operating
14 cost or expenses for Halifax a figure of \$156,000?

15 A. That is right.

16 Q. For the year 1963-64?

17 A. Yes.

18 Q. That includes, of course, the pilot
19 boat?

20 A. Yes.

21 Q. And to get at the net you have to
22 deduct, of course, what you recover for the use of the
23 pilot boat?

24 A. Yes, \$27,000 for that period.

25 Q. What is of particular interest to
26 me, and I wish to pursue my questioning in this regard,
27 is the cost of administration excluding the pilot boat.
28 I refer you to Schedule A. The total administrative
29 cost is \$40,000 excluding the pilot boat; is that
30 correct?



1 A. Yes, sir.

2 Q. To that you must add what appears
3 on Schedule B as the employees' fringe benefits which
4 is \$14,000. Correct?

A. Yes.

5 Q. However, does the employees' fringe
6 benefit include fringe benefits paid to the employees
7 on the boat?

8 A. Yes, sir

9 Q. So that would be only a proportion
10 of that figure that should be added, related to \$36,000?
11 Am I correct?

12 A. That is correct.

13 Q. You don't have a breakdown of this?

14 A. No. Of the fringe benefits?

15 Q. As between boats and other employees?

16 A. No, sir.

17 Q. Would it be fair to take, in round
18 figures, \$10,000 as applying to other than pilot boat
19 employees? No, it would be less than that. One-
20 third, rather, because the salaries compared in
21 proportion, \$36,000 to \$60,000?

22 A. Yes, sir.

23 Q. So approximately one-third, or, say,
24 \$4,500?

25 A. Yes.

26 Q. If you add the \$4,500 to the \$40,000
27 that I have mentioned earlier ---

28 A. Total administration?

29 Q. Yes. You would get a rough figure
30 of, say, \$44,500 as the cost of administration?



1 A. Yes.

2 Q. You are aware in the District of
3 Halifax there are 18 pilots?

4 A. Yes. I think 17 now.

5 Q. Which would mean that the cost of
6 administration in Halifax would be of the order of
7 nearly \$3,000 per pilot?

8 A. Yes.

9 Q. A little less than that. Between
10 \$2,500 and \$3,000?

11 A. Yes. There is a minimum establish-
12 ment for administration that is not affected in any
13 way by the number of pilots. In other words, you
14 could get down to a very small number of pilots but
15 nevertheless still have to have a minimum adminis-
16 tration staff, and this is the reason there is no
17 ratio relationship between the number of pilots and
18 the administration costs.

19 Q. Would you agree there seems to be
20 quite a considerable discrepancy between I would say
21 the average cost of administration in Halifax par-
22 ticularly and St. Lawrence River ports?

23 A. This is very true, for the reason I
24 have said. For example, years ago we had for many
25 years 22 pilots in Halifax, and the ratio you speak of
26 was more favourable then than it is now. But one
27 must not infer from that that the reduction in
28 pilotage staff, if it is appropriate, is a bad thing.
29 One can't really argue this way.

30 We have to have despatchers and we



1 have to have a superintendent, and so on, and for this
2 reason, as I say, there is an irreducible minimum
3 below which those people cannot go.

4 Just to give you an illustration,
5 it is cheaper to do things in gross than it is in
6 detail. I would say if we had a district with
7 1,000 pilots, the administration per pilot would be
8 considerably less.

9 THE CHAIRMAN: We have been studying
10 the procedures, and we find the expense is something
11 like \$15,000 for the St. Lawrence and about \$40,000
12 for maritime ports.

13 MR. BRISSET: Are you speaking of
14 the expense or the revenue of the pilots?

15 THE CHAIRMAN: To the government.

16 MR. LALONDE: Does that mean it would
17 cost \$40,000 ---

18 THE CHAIRMAN: Three times higher
19 in the maritimes than here. Of course we have to think
20 that pilotage service has to be maintained in order to
21 meet the peaks, in order to meet the demand when the
22 demand is there, but this is only the facts, and we
23 are just telling you that we are having these figures
24 analysed now in order to have expert advice on this.

25 We will do the same with these figures
26 here and find out exactly what he means. We do
27 appreciate very much the question because it will help
28 us.

29 MR. BRISSET:

30 Q. While on this subject, I just want to



1 put a further question. Will you look at the figures
2 again for 1963-64 in the Harbour of Saint John,
3 Schedule A, where the cost of administration is \$15,000?

4 A. Yes, sir.

5 Q. Leaving aside the pilot boat?

6 A. Yes, sir.

7 Q. To that you must add fringe benefits
8 payable to the employees, which in this case would be
9 a comparatively small amount -- perhaps \$2,000, com-
10 of
11 paring the pilot boat wage cost/sixty-five, and
12 administration wage cost of twelve?

13 A. Yes. The larger proportion of the
14 fringe benefits would be allocated against pilot boats,
15 yes.

16 Q. So you would have an expense for
17 administration in Saint John of \$16,000 to \$17,000 over-
18 all?

19 A. Yes.

20 Q. Now, in Saint John you have nine
21 pilots?

22 A. Yes, sir.

23 Q. Is there an explanation for the
24 great variance between Halifax and Saint John cost
25 of operation?

26 A. Yes. I may say that in Saint John,
27 New Brunswick, the pilots a number of years ago
28 strongly urged that we appoint despatchers or at
29 least have despatching done by people other than pilots
30 themselves, which was the practice before that time.



1 We have not in actual fact appointed
2 any despatchers there and this work does not entail
3 any additional staff such as we have in Halifax. In
4 Halifax we have despatchers doing that precise work.

5 Q. And that will explain the discrepancy
6 between these two documents?

7 A. It will, yes.

8 Q. Now, captain, I would like to pass
9 on to the Port Weller-Sarnia district. Looking at
10 your statements for the years 1960-1961, 1961-1962
11 and 1962-1963 I find that the operating expenses are
12 as follows -- \$27,000 in 1960-61; \$34,000 in 1961-62 ---

13 A. Yes, sir.

14 Q. And \$97,000 in 1962-63. However,
15 in 1962-63 you have included a new item, namely
16 \$35,000 travelling expenses paid to pilots, which
17 leaves a net of \$62,000 for the operating expenses.
18 Do you follow me?

19 A. Yes, I follow you.

20 Q. Is there any explanation for the
21 upsurge of operating costs in 1962-1963 compared to
22 the two previous years? I must say that in 1963-64,
23 deducting the travelling expenses of \$37,000 from
24 the \$65,000 total you come back to the average of
25 \$28,000, so it is only in 1962 that there was an
26 upsurge in operating costs. My question is, is there
27 any explanation for this?

28 A. In 1960-61 we did not have the
29 establishment in Port Weller that we later found
30 necessary to put in. We operated the district



1 on quite a different basis and there was a change in
2 personnel and we had hired additional staff. But
3 I would have to look into it more precisely to get
4 a more detailed story than that and make more de-
5 tailed comments than that.

6 Q. I would like you to keep in mind
7 that in the following year after 1962 you get back to
8 what appears to be the average.

9 Well, I am quite prepared to defer
10 your answer to my question until you have had the time
11 to look into these papers.

12 A. I would appreciate that for I can
13 only speak very generally about it. I do not think
14 there is that much of a change and I find it difficult
15 to explain the figures. We have had small in-
16 creases in staff, and incidentally travelling ex-
17 penses have taken a sharp upturn.

18 Q. I have taken that into account in
19 my figures.

20 A. We also put a better teletype com-
21 munication system in and this all helped to increase
22 the expense; but I cannot pinpoint the cause of the
23 increase more precisely than these general comments.

24 Q. I would like you now to pass on
25 to the Port Weller-Sarnia District, which I take it
26 is District No. 3 of the Great Lakes?

27 A. Yes. I may say there that we have
28 a very small number of Canadian pilots there -- just
29 three of sixteen -- and it is for this reason that
30 the figure is relatively so small.



1 Q. I have difficulty in reconciling
2 your figures for the years 1962 and 1963, the fiscal
3 year 1962-1963. You show there a total revenue
4 collected of \$49,000. If I may refer you to Exhibit
5 1301 you say the Canadian share of the net income as
6 \$35,704.49?

7 A. Yes.

8 Q. That is the explanation for this?

9 A. The difference being \$1700.

10 Q. The difference between \$49,000 and
11 \$35,000.

12 A. I wonder would you mind, sir, our
13 taking this question under consideration and I will
14 report back to you this afternoon, if you please.

15 Q. All right. I might mention to you
16 that for the fiscal year 1963-1964 the figures agree.
17 You have \$35,000 in both cases?

18 A. Yes, sir.

19 Q. I have one more question on the
20 district, Captain Jones. We show for 1963-1964
21 a total revenue collected in that Port Weller Sarnia
22 District of \$35,000?

23 A. Yes, sir.

24 Q. For three pilots?

25 A. Yes, sir.

26 Q. Which means that they produced an
27 average in earnings to your department of a little
28 less than \$12,000 each?

29 A. Yes, sir.

30 Q. If you refer to Exhibit 1301 you will



1 see that the sixteen pilots operating there produced
2 for the year 1962 \$346,266.02.

3 A. Yes, sir.

4 Q. If you deduct the earnings of the
5 Canadian pilots of \$35,055.26 you will be left with
6 a balance of \$311,210.76 -- correct?

7 A. Yes, sir.

8 Q. Which is the earnings of the thirteen
9 American pilots.

10 A. The gross earnings of the district ---

11 Q. The thirteen American pilots, which
12 means that the American pilots are producing earnings
13 of \$24,000 a year compared to the \$12,000 of the
14 Canadian pilots. Is there any explanation for this?

15 A. Yes, sir. The figure you quoted
16 of \$346,000 is the gross revenue of the district out
17 of which there is a first charge of the cost of running
18 the district and only then is there a net left of
19 which the Canadian government gets, very approximately,
20 three-sixteenths. It is not based on numbers, but
21 I mention that as just an approximation.

22 The \$346,000 in other words is sharply
23 reduced by the cost of doing the business and only then
24 is the subdivision of moneys made to pilots in the
25 net sense of pilots' wages.

26 Q. In other words, what happens is that
27 out of the Canadian pilots' share of earnings there is
28 deducted for administration expenses something like
29 \$12,000 per pilot?

30 A. I am not sure that it is \$12,000, but



1 the Canadian pool, as one might speak of it, bears
2 its appropriate share of the cost of running the dis-
3 trict.

4 THE CHAIRMAN: So those would be the
5 cost for the American pilots and also the Canadian
6 pilots?

7 THE WITNESS: Yes. The subdivision
8 of expenses is not based on geographical considerations
9 but merely on the proportion of the revenue that is
10 brought in by Canadians to that which is brought in
11 by the American pilots' work, and on that ratio the
12 expenses are apportioned.

13 MR. BRISSET:

14 Q. In other words, if I may put it
15 differently, the American pilots bring in \$24,000
16 gross?

17 A. Gross.

18 Q. And the Canadian pilots bring in
19 \$12,000 net, or a little less?

20 A. Very, very roughly, for the expenses
21 of this district, as the balance sheet and operating
22 statement will disclose have been quite high. This
23 has been brought out by the figure you are commenting
24 on. But I did point out, and I emphasize again,
25 that the \$346,000 is gross and as a first charge we
26 must deduct the expenses of doing the business. Then
27 the net revenue is divided in this manner that I
28 mentioned. The Canadian portion of that net
29 accrues to the Receiver General and the American
30 portion goes to the American pool and is distributed



1 according to their own internal arrangements.

2 MR. LALONDE: How many pilots in
3 total are there?

4 THE WITNESS: Sixteen, sir. In
5 District 3 there are sixteen there right now in the
6 Great Lakes Basin.

7 MR. LALONDE: In District 3 you
8 have sixteen Canadian and American pilots?

9 THE WITNESS: Yes, sixteen Canadian
10 and American -- three Canadian and thirteen American.
11 In District 1 we have twenty and twelve, making thirty-
12 two.

13 MR. BRISSET:

14 Q. I would like you to go back again
15 to the Port Weller-Sarnia district. The operations
16 of the last four years indicate the following figures
17 -- 1960-61, \$562,000; correct?

18 A. Yes, sir.

19 Q. 1961-62, \$681,000?

20 A. Yes, sir.

21 Q. 1962-63, \$542,000, and 1963-64,
22 \$513,000?

23 A. Yes, sir.

24 Q. During that period -- and these are
25 the only figures I have for 1961-1962 -- you had 42.5
26 pilots; for 1962-1963 you had 35.4 pilots and 33.3
27 pilots for 1963-1964. We are speaking here of
28 effective pilots?

29 A. Yes, sir.

30 Q. I assume I am right in concluding



1 that the revenues of the district have been diminishing
2 because the number of pilots has been decreasing by
3 reason of the parity arrangements under which the
4 Americans eventually will have the same number of
5 pilots in the district as the Canadians have?

6 A. Yes, sir, this is the ultimate effect,
7 although, as I said earlier, the revenue was not
8 divided on the effective pilot basis. It is divided
9 on the proceeds, the money that is brought in by the
10 activity of a given pilot, so in the aggregate
11 of the work done by the American pilots compared
12 with the total of the work done by the Canadian
13 pilots as shown by the source f o r m s it is in that
14 proportion that the money is divided between the two.

15 But it can be rather close to the
16 same results that would be attained if it were divided
17 on a personnel basis very, very approximately. It
18 does not come to the same, of course.

19 Q. I have not been able to study com-
20 parative figures for the American and Canadian pilots,
21 but the question I want to ask you is if you have made
22 a study of how does the production of the Canadian
23 pilots compare with that of the Americans, in that
24 district?

25 A. The work done by an effective
26 Canadian pilot is somewhat lower than that done by
27 an effective American pilot.

28 Q. In what proportion approximately;
29 can you tell me?

30 A. We did not express it in proportion;



1 we expressed it in money when we calculated it and it
2 was something like about 8 per cent, I think, last
3 year. Would you pardon me while I consult the
4 accountant?

5 Q. Yes.

6 A. Perhaps I may be able to state the
7 figure. It was about \$40,000 less on the basis of
8 activity than it would have been on the basis of
9 effective pilots. Now, \$40,000 compares with totals
10 of something in the order of \$600,000, so that is
11 why I said about 8 per cent. But this is a very
12 rough approximation.

13 By the way, the \$40,000 did not
14 just distribute itself between the districts evenly,
15 either, but I may mention that that was the experience
16 last year. Whether before last year there was far
17 less disparity between these two bases and the explana-
18 tion that we brought out to account for this was that
19 the districts were quite busy and things went rather
20 otherwise . . .

21 MR. LALONDE: While my friend is on
22 this point, could you explain the difference in the
23 Canadian share of that income as appears in the exhibit
24 my friend referred to, that is, 1301, where you have
25 for Port Weller-Sarnia, \$646,000 revenue?

26 THE WITNESS: Yes, sir, for 1961?

27 MR. LALONDE: Yes. Well, you have
28 \$681,000. Is that because the first one is made on a
29 yearly basis only -- or is it the fiscal year? Then
30 you go to 1962 and you have \$542,000. It balances



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1 out exactly. In 1963 you have 515 versus 513 on
2 Exhibit 1295.

3 THE WITNESS: Yes, sir.

4 MR. LALONDE: So you have this
5 substantial discrepancy in 1961 of about \$35,000?
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1 THE WITNESS: The 1960-1961 figure?

2 MR. LALONDE: I am sorry. I think what
3 you are referring to is the year 1961. The reference
4 on Exhibit 1295 is to the fiscal year 1961-1962?

5 THE WITNESS: Yes.

6 MR. LALONDE: You have \$681,000 on
7 Exhibit 1295?

8 THE WITNESS: Yes, \$681,000.

9 MR. LALONDE: While you have \$640,000 on
10 Exhibit 1301?

11 THE WITNESS: That is right. There is
12 this discrepancy. I will have to look this figure
13 up.

14 MR. LALONDE: Would you check that matter?
15 There is a slight discrepancy of \$2,000 in 1963 also.

16 THE WITNESS: Yes.

17 MR. LALONDE: What is rather surprising
18 is that the 1962 fiscal year comes out evenly.

19 THE WITNESS: Yes. I will look this
20 figure up and have an explanation this afternoon.

21 MR. BRISSET:

22 Q. One last question on this district,
23 captain. What brought about the allowance of
24 travelling expenses for the first time in 1962-1963
25 to the pilots; while there is no such travelling ex-
26 penses in previous years?

27 A. Prior to that time we paid money
28 in lieu of -- a flat sum -- a fixed sum in lieu of
29 travelling expenses. I must say I don't know this
30 really gives a proper explanation here for -- even if



1 it were a flat sum it surely should have been listed
2 as travelling. This is what was done. I merely
3 state the history of the matter.

4 They were paid for a short while when
5 the operation was first put in order or established
6 on a voucher basis. That was later changed to a
7 flat, fixed sum of \$75 a month. This went on for
8 a little while and then the pilots felt this was
9 inequitable. One or two of them had very heavy ex-
10 penses which that flat sum did not cover and we then
11 reverted to the original practice of paying them the
12 actual amount incurred. This is the basis we are
13 on now.

14 In the meantime we changed the opera-
15 tion in the Welland Canal, exchanging pilots at Lock 7.
16 This, of course, resulted in an increase of travelling
17 expenses for there was a taxi involved from Port Weller
18 to Lock 7 on every occasion so the travelling expenses,
19 as you note here, have gone up not merely in proportion
20 to the increase of traffic in the district but also
21 more than that because of the changes but this still
22 doesn't really touch the point you want.

23 Q. I think you have answered my question.
24 I can take it therefore that prior to 1962-1963 what
25 the pilots were getting actually as travelling expenses
26 is included in the figure of their revenue?

27 A. I don't think that was really the right
28 way to do it. I think it should have been listed
29 separately no matter which mode was adopted to pay.

30 Q. In other words we can take your



1 figures for 1961, 1962 and 1960-1961 without thinking
2 that in addition there was paid expenses to the pilot
3 that does not show in here?

4 A. Yes, that is right.

5 Q. That is what I am driving at.

6 A. Yes.

7
8 RE-EXAMINATION BY MR. JACQUES:

9 Q. Captain, you have before you Exhibit
10 1295 for 1963-1964. The first sheet is a statement of
11 revenue for the fiscal year 1963-1964?

12 A. Yes.

13 Q. I believe you said yesterday that you
14 did prepare the revenue section of that statement?

15 A. Yes, sir, this is correct. They
16 are prepared initially in the local offices. They
17 are furnished to our Section, and our staff with the
18 accountants produce the final result.

19 Q. Have you issued any instructions
20 with respect to the cut-off period for accounts?

21 A. What happens in a number of districts
22 in order to diminish the outstandings as much as pos-
23 sible, they keep the books open after the appropriate
24 date rather than show large outstandings of pilotage
25 dues unpaid. For example, closing on December 31st
26 they would unofficially keep the books open for cheques
27 coming in in early January and thereby closing the
28 books which would normally be on December 31st with
29 lower outstandings than otherwise would be the case.

30 We have not issued any precise



1 data to them although we have considered the advisa-
2 bility of doing this to regularize the operation.

3 Q. With respect to Port Weller-Sarnia
4 you have a figure of \$513,000?

5 A. Yes, sir.

6 Q. As revenue collected. Would you
7 have in your office your working papers with respect to
8 that figure?

9 A. Oh, ~~yes~~, we certainly would.

10 Q. Would you, as an example only -- of
11 course, I don't know if you could bring all your
12 working papers, but bring your working papers for this
13 particular figure of \$513,000?

14 A. Very good, sir.

15 Q. Once you have made that calculation,
16 I presume, some time after the fiscal year -- is that
17 correct?

18 A. Yes.

19 Q. Do you modify this figure later on?

20 A. Modify it? You are suggesting
21 something that is irregular which I don't think we do.
22 We may well -- in fact we have to take the statement
23 from the field which is only very often partial and --
24 not adjusted, but add to it the appropriate figures
25 that arrive elsewhere.

26 Q. Let us go back to the \$513,000.
27 Some time after the end of the fiscal year, 1963-1964,
28 you get busy and round up your figures and total them
29 up?

30 A. Yes.



1 Q. And you get \$513,000 provided all the
2 figures are in. Is that correct?

3 A. Yes.

4 Q. Does it happen that at the time you
5 are preparing your financial statement that you would
6 not have all the information concerning a district in
7 particular and that you would just take a good guess
8 as to what the revenue or cash receipts would be in
9 a particular district and just include it in your
10 figures?

11 A. Yes. Well, make a provisional
12 statement rather early in the year?

13 Q. Yes.

14 A. We do this but with full cognizance
15 that this statement is provisional and it may well be
16 adjusted later.

17 May I mention here that in the dis-
18 tricts you speak of, Great Lakes districts, we are
19 dependent upon the prompt closure of the American books
20 because we cannot determine the Canadian share until
21 such time as they have furnished us with their infor-
22 mation and we have correlated it with us. For this
23 reason the final figure sometimes is several months late -
24 I must be frank. At the same time we retain the right
25 to defer the final figures until after the audit and
26 that in itself of course serves to delay the production
27 of the final figures.

28 Q. Now, when you prepared this particular
29 exhibit, 1963-1964, were you then in possession of all
30 the figures necessary to prepare it? Would you know,



1 for instance, with respect to Sydney where you have a
2 figure of \$122,000, were these figures checked and
3 audited before you inserted them in that statement
4 or was it perhaps a good guess?

5 A. No, sir. When I say we produce
6 provisional figures I was then referring to the Great
7 Lakes where because of the complexity of the operation
8 and because we are not the sole custodians of the ---

9 Q. That is why I took the Great Lakes
10 as an example.

11 A. Yes. In Sydney we do have at our
12 disposal the entire books. There is no such long
13 delay. We are in possession of the books. For
14 example, in our domestic districts the final figures
15 are within weeks at the latest.

16 Q. In what you call the domestic dis-
17 tricts, they are districts administered by the minister?

18 A. Yes.

19 Q. You get your figures and your audit
20 and what not in time to prepare your statement?

21 A. Yes, sir, I should say that the
22 auditing of our domestic districts is not a thing that
23 is done at the year end. It is done from time to
24 time and has no relation to the year end.

25 Q. So you get figures at least prepared
26 by the local accountant?

27 A. Yes.

28 Q. And it is checked by the local super-
29 visor?

30 A. And signed by him.



1 Q. Would those figures be subject to
2 modification later on?

3 A. In general, no. We look at them
4 and if there is something we do not understand about
5 them, which has happened, we write to them for an
6 explanation of a doubtful item, but there are no
7 modifications in the sense -- with the one sole excep-
8 tion that if a bill is prepared from head office
9 relating to that particular district rather than having
10 the cheque issued otherwise and they are aware of it,
11 we see that it is incorporated in the total. This
12 is, I would think, an extremely rare situation.

13 Q. So with respect to districts adminis-
14 tered by the Minister, the domestic districts, excluding
15 the Great Lakes, once you have established a revenue
16 figure for one particular year, is there any reason
17 for that figure to change the later on?

18 A. No, there is no reason that I know of.
19 No, there would normally be no reason I can think of
20 at all. This is on the assumption that the local
21 people do not find an arithmetic error which they
22 write in to us later. This I cannot recall ever
23 happening, but it could.

24 Q. So, if today I asked you, for instance,
25 the gross revenue for the district of Sydney for 1963-
26 1964 I should get the particular figure?

27 A. Yes.

28 Q. If I asked you the same question a
29 month afterwards I should still get the same answer?

30 A. I hope so, sir.



1 Q. And if I asked you the same question
2 three months afterwards I would still get the same
3 answer?

4 A. Yes.

5 Q. With respect to the Great Lakes
6 District, let us go back to Port Weller-Sarnia; would
7 the position be the same?

8 A. No, I am afraid it would not. If
9 you asked that question in January we would give you
10 a figure but we would also warn you it was a pro-
11 visional one and it was our best -- really our best
12 estimate.

13 For example, you will notice the
14 date on which this statement was prepared, 1962, it
15 was in July, and the lateness of that statement is
16 explained by the fact that we were held up in our
17 audit and our finalization, to use a poor word, by
18 the Great Lakes Districts Areas.

19 Q. Your figure of \$513,000 for Port
20 Weller-Sarnia is a finalized figure?

21 A. Yes.

22 Q. So if I asked you two months hence
23 what was the gross revenue of Port Weller-Sarnia for
24 1963-1964 you should tell me ---

25 A. \$513,000.

26 Q. \$513,000?

27 A. Yes.

28 Q. And this is the Canadian share?

29 A. Yes, sir.

30 Q. Now, sir, I show you Exhibit 1301,



1 a statement of pilots' earnings and workload. Was
2 that prepared in your office?

3 A. Yes, sir.

4 Q. Was it prepared by you?

5 A. Not by me personally. No, it was
6 prepared by members of the staff of the Pilotage ---

7 Q. Did you check the information con-
8 tained in that document?

9 A. Personally?

10 Q. Yes, sir.

11 A. No, sir.

12 Q. Would someone have checked it

13 A. Yes. Customarily statements of this
14 sort are done by one member and checked by another and
15 also if they are of an accounting nature, as this is,
16 indutiably our financial service would either be
17 given a copy and asked to check it or would cooperate
18 in the production of it.

19 Q. Do you know when this document was
20 prepared, exactly on which date?

21 A. No, sir, I am afraid I don't. It
22 doesn't bear a date, which is unfortunate, and which is
23 a practice which we like to employ. I see it bears
24 no date and for this reason I couldn't say.

25 Q. Would you check and let us know on
26 what date it was prepared?

27 A. Certainly.

28 Q. Whoever prepared this document,
29 where would he get the information that was contained
30 in there? Where would he have to go to find out, for



1 instance, the Canadian share of revenue of one district?

2 A. Because, as I said, of the complexity
3 of the Great Lakes accounting system and the differences
4 in currencies, and so on, the share of the work that is
5 done in this operation by the local districts is
6 relatively small. They marshal some area statis-
7 tics together but a great deal of it is done in Ottawa
8 by financial services, and one of our own staff and
9 it is on one of their work sheets produced by head
10 office staff that this information would be culled
11 from.

12 Q. Would you look at the Canadian share
13 of the net income for Port Weller-Sarnia in 1963 shown
14 in Exhibit 1301 as \$515,834?

15 A. Yes, sir.

16 Q. Just for clarification of the record,
17 on Exhibit 1301, when you mention 1963, do you mean
18 the calendar year or the fiscal year ending in 1963
19 or the fiscal year beginning in 1963?

20 A. Well, as it happens the operation
21 in the district is concluded early in December. There
22 is no overlapping in these two dates where it doesn't
23 open till late in April, so in fact the season of 1961
24 is both; 1963 is the calendar year 1963 and is 1963-
25 1964 fiscal Year.

26 Q. Do you always use just one year,
27 1961-1962-1963 for a definite period of time, which we
28 will ignore at the moment, and the same for all the
29 districts. I understand that the Great Lakes opera-
30 tion may take place within that portion of 1963 or



1 1963-64 financial year. With respect to the other
2 districts what does it mean? Is it the calendar
3 year 1963?

4 A. It is the calendar year 1963, sir.

5 Q. In that document?

6 A. Yes.

7 Q. So we cannot compare that document
8 with Exhibit 1295 which is a fiscal year?

9 A. Yes, for the Great Lakes.

10 Q. I am just talking generally for all
11 the districts. Say Halifax, let us say Quebec,
12 let us say British Columbia?

13 A. If there was an entry went out in
14 the early months of 1964 in our statement that should
15 be shown on the 1964 statement whereas in the government
16 records in general it would be shown on the 1963-1964.
17 In other words, for these three months there would be
18 disparity in the statement. I think the Department does it
19 to confuse everybody.

20 MR. LALONDE: If I may interject
21 here.

22 MR. JACQUES: Yes.

23 MR. LALONDE: On the basis of your
24 statement now you said Exhibit 1301 would be the current
25 year?

26 THE WITNESS: Yes.

27 MR. LALONDE: While Exhibit 1295
28 would be a fiscal year?

29 THE WITNESS: Yes, it is so stated.

30 MR. LALONDE: Let us take districts



1 where they do work in the winter time, like Halifax
2 and Sydney; is that correct?

3 THE WITNESS: Yes.

4 MR. LALONDE: Look at Exhibit 1295
5 for 1963-1964 and compare Halifax and Sydney and Saint
6 John; take those three, for instance. I submit
7 to you you get the same amount exactly.

8 -

9 -

10 -

11 -

12 -



1 THE WITNESS: You do.

2 MR. LALONDE: Halifax, \$202,000;
3 Sydney, \$122,000; Saint John, \$124,000. Now you
4 mean to say ---

5 THE WITNESS: No.

6 MR. LALONDE: --- that it just balances
7 out evenly like this?

8 THE WITNESS: No. I don't mean
9 to say that at all. It would be quite phenonema1
10 if this happened. It would be quite a coincidence,
11 but nevertheless what I say is correct. If the
12 statement of pilotage operations prepared as distinct
13 from government operations generally are on the
14 calendar year basis ---

15 MR. LALONDE: You are saying
16 Exhibit 1301 -- the question is not general. Exhibit
17 1301.

18 THE WITNESS: Exhibit 1301 is the
19 calendar year for 1963.

20 MR. JACQUES:

21 Q. I submit that this is wrong. I
22 submit that you should check with whoever prepared
23 this document.

24 A. What is wrong is not Exhibit 1301,
25 if I may say so, but ---

26 Q. Exhibit 1295?

27 A. But the heading of the item Fiscal
28 Year" here, because it seems quite incredible that
29 there would be this exact relationship.

30 THE CHAIRMAN: It would be the same



1 thing for B.C.

2 MR. JACQUES:

3 Q. Let's start all over again.

4 Exhibit 1295 says "Fiscal year".

5 A. That is right.

6 Q. In government circles what do we
7 mean by "fiscal year"? When does it start and when
8 does it end?

9 A. As you know, April 1st.

10 THE CHAIRMAN: We are going to
11 avoid further questioning. Would you check that and
12 we will find out from you later on because there is
13 no use arguing now. You may verify Exhibit 1295,
14 whether it corresponds to the annual reports of the
15 districts, which are for calendar years. I do not
16 have the B.C. figures before me, but just looking at
17 Exhibit 1295, the year 1962 -- 1962-63, I find they
18 are very similar to this. I recall they were for
19 the calendar years, but I do not have them in front
20 of me, so you will verify that.

21 THE WITNESS: May I say, my lord,
22 that Mr. Kennedy here who works on this, he tells me
23 I am right when I say that what is at fault is the
24 heading of 1295. It is not fiscal year. It is
25 1963-64. There are no 1964 items -- January,
26 February, March, 1964 items in there.

27 THE CHAIRMAN: That is why I asked
28 myself the question yesterday, so now we will adjourn
29 for about ten minutes.

30 ---Short recess .



1 ---Upon resuming.

2 MR. JACQUES:

3 Q. To cut a long story short, Exhibit
4 1295 is supposed to be fiscal year?

5 A. Yes, but it is so stated on the
6 heading.

7 Q. So stated on the heading, but then
8 it might not be?

9 A. That is right.

10 Q. There was a time when the reports
11 from local authorities were based on fiscal year also,
12 and they changed to calendar year?

13 A. Yes.

14 Q. Do you recall the date on which the
15 change was made effective?

16 A. I think myself that it was something
17 of the order of 1959, but I would have to look this
18 up. It certainly antedates -- I feel sure it
19 antedates these years we are quoting here for the
20 reason that Captain Leask was in the office and issued
21 instructions, and he left us in 1959, so it was some
22 date prior to 1959 -- 1958, possibly.

23 Q. With respect to Exhibit 1301, which
24 is before you, this would be a calendar year?

25 A. Yes, I am quite content and I am
26 quite sure this is calendar year.

27 Q. And the Great Lakes revenue figures
28 which are quoted in Exhibit 1295, would they be
29 based on cash receipts for that fiscal year or total
30 billing?



1 A. They are revenue figures based on
2 total billing.

3 Q. So in fact in District No. 2 there
4 should not be any difference at all in the figures,
5 whether they use fiscal year or calendar year because
6 pilots in District 2 do their work between the 1st
7 of April and the 31st of December?

8 A. Yes. It is at some date subsequent
9 to the 1st of April. It may be the 15th or the 20th
10 of April, and they usually stop work very shortly
11 after the 1st of December.

12 Q. So there should not be a difference?

13 A. No, sir.

14 Q. Then would you explain, and I think
15 you were asked this question; in 1963, in Exhibit 1301,
16 you give as the Canadian share of net income, \$515,834,
17 while on Exhibit 1295 you give \$513,000?

18 A. Yes. I am afraid I have to have
19 this looked up.

20 Q. With respect to Districts 2 and 3
21 I should like to examine a document giving the Canadian
22 share of the revenue and the deductions thereon for
23 Districts 2 and 3 which I believe you prepared?

24 A. Yes, sir. This is the figure you
25 are referring to here, \$515,000 compared to \$513,000?

26 Q. That is right. I should like to
27 file this document as Exhibit 1341. Statement of
28 Canadian share of revenue and deductions therefrom
29 in Great Lakes Pilotage Districts Nos. 2 and 3, for
30 1961, 1962 and 1963.



1 ---EXHIBIT NO. 1341:

Statement of Canadian share
of revenue and deductions
therefrom in Great Lakes
Districts Nos. 2 and 3,
for 1961, 1962 and 1963.

4 MR. JACQUES:

5 Q. Now, the years in this document,
6 Exhibit 1341, are they calendar years or fiscal years?

7 A. Calendar year.

8 Q. Would you place before you Exhibit
9 1296, which is a comparative statement of pilotage
10 charges for selected vessels?

11 A. Yes.

12 Q. This document contains several notes
13 which explain the document. The only thing I should
14 like to know is what guided your choice of these par-
15 ticular vessels?

16 A. May I look at the statement? I
17 haven't one here. Well, I don't know beforehand
18 because I didn't choose them personally. But I see
19 here, as you see, one of the large passenger vessels,
20 one is you might also say a bulk type ship, 7,000 gross,
21 4,000 net, doubtless deadweight of 10,000-odd tons.
22 Here is the BEAVER LAKE, which is a somewhat larger
23 vessel. Here we are. The description here is
24 passenger cargo vessel, and then there is a con-
25 siderably larger bulk carrier, and I can only assume
26 from reading here, the choice, but I have no personal
27 knowledge other than that.

28 THE CHAIRMAN: I think for B.C.
29 it is based on an 80-mile trip.

30 MR. JACQUES: It is contained in



1 the note, my lord.

2 THE CHAIRMAN: Eighty-mile trip,
3 so therefore this exhibit could be appended to the
4 exhibit filed by the B. C. pilots where they gave four
5 or five ships and the charges.

6 THE WITNESS: Yes.

7 THE CHAIRMAN: I do not recall the
8 exhibit number by heart, but it was made in conjunction
9 with the other so the two of them could go together.

10 MR. LALONDE: Reference could also
11 be made to Exhibit 884 filed by the Federation of St.
12 Lawrence River Pilots where they make a comparison
13 of pilotage dues on the basis of using seven ships
14 given by the B. C. pilots plus two lakers.

15 MR. JACQUES:

16 Q. Would you please place before you
17 Exhibit 1297, which is a statement of pilots' earnings
18 for 1962, and also Exhibit 1299, which is a similar
19 statement for 1963?

20 A. Yes, sir, I have them.

21 THE CHAIRMAN: Did you have any
22 questions on the other exhibit?

23 CROSS-EXAMINATION BY MR. LALONDE:

24 MR. LALONDE: Captain Jones, is it
25 not a fact that a large number of these ships plying
26 the St. Lawrence River have smaller net tonnage than
27 the ones appearing on the list of four ships produced
28 here?

29 THE WITNESS: We haven't analysed
30 our traffic with respect to sizes and also with respect
to the relationship of these ships comprising this



1 total of traffic in ratio to gross or net. So I
2 really can't say. I can't be sure that I agree. It
3 sounds plausible.

4 MR. LALONDE: Do you know, or don't
5 you know, that a large number, I believe the majority
6 of the ships plying the St. Lawrence River have smaller
7 net tonnage than the one indicated on this list?

8 THE WITNESS: The first one?

9 MR. LALONDE: Do you know? Take
10 the first one you have there. You have one, 13,000
11 tons?

12 THE WITNESS: Yes.

13 MR. LALONDE: Another one, 8,000 tons
14 net, and another one at 5,800, and another one at
15 4,300 tons?

16 THE WITNESS: Yes. I know this is
17 a piece of general knowledge, but as I said before we
18 have not produced statistics subdividing traffic into
19 the spectrum of size and that sort of thing.

20 THE CHAIRMAN: One of the criticisms
21 of the B. C. exhibit, the ships were too small, and we
22 wanted an example of bigger ships. Maybe that is
23 the reason we have bigger ships here. I note this
24 is not dated.

25 THE WITNESS: No, sir.

26 THE CHAIRMAN: So we would like to
27 have the date of it.

28 MR. LALONDE: Now, you refer to the
29 figures for, let us say, the INVICTA, the last one?

30 A. Yes.



1 MR. LALONDE: Do you have a copy?

2 THE WITNESS: No, sir, I haven't.

3 MR. LALONDE: I notice that you
4 have only dots before Montreal and Kingston for
5 pilot boats. Have you taken the stand on this state-
6 ment that you would include only pilot boat charges
7 which would go to the government and not include those
8 paid directly by the ship to the pilot boat operator?

9 THE WITNESS: Yes, we have no charge
10 from Montreal.

11 MR. LALONDE: Do you have the point?

12 THE WITNESS: I have the point. I
13 was just looking over the statement. I see for
14 Bras d'Or, Montreal, Cornwall, Churchill and Kingston
15 there is no pilot boat charge listed, as you see.
16 There is a charge in Kingston, for example ---

17 MR. LALONDE: I understood there
18 must be one at Churchill too; is there not?

19 THE WITNESS: Yes, there is.

20 MR. LALONDE: And Bras d'Or, the
21 same?

22 THE WITNESS: No. Well, there is
23 a charge, but the east side of Bras d'Or, it comes
24 out of dues and not separate.

25 MR. LALONDE: And the \$10 charge
26 in B.C., is that a usual charge, or what?

27 THE WITNESS: It is the charge
28 levied at Brochie Ledge. This is at Victoria. But,
29 for example, up at Prince Rupert where we hire a
30 boat, half of the charge is paid by the ship receiving



1 the service and the other half is paid by the Pilotage
2 Authority.

3 THE CHAIRMAN: As we say, the smallest
4 charge is for an 80-mile trip. If it happens in the
5 northern section, travelling expenses would be added,
6 and so on. I just make this remark here because when
7 these things are compared we should be very careful
8 about them.

9 MR. LALONDE: One should always be
10 careful about these things.

11 THE WITNESS: Perhaps I might add
12 that the \$10 was a flat country-wide charge imposed
13 where we run the boats, and it was estimated to recoup
14 something like half of our overall expense. Any given
15 place may well make a profit or loss, but in general
16 \$10 was thought to be reasonable enough. With the
17 one sole exception where we levied a charge of \$20
18 for our boats at Escoumains. The exception was
19 based on the thought we have a very expensive boat down
20 there at that time, and we felt it was quite unreasonable
21 to charge \$10.

22 THE CHAIRMAN: In B.C., Victoria
23 and Brochie Ledge and Fraser River it is \$10?

24 THE WITNESS: Yes.

25 MR. JACQUES:

26 Q. In Churchill it is \$25 which is
27 charged by the National Harbours Board?

28 A. The reason for that is that the boat
29 that is supplied is not a department boat. It is a
30 National Harbours Board boat, and it is quite a large



1 craft. It is a tugboat, too.

2 Q. As far as detention charges are
3 concerned, I notice you base them on a 24-hour period
4 according to the second note on the top page?

5 A. Yes.

6 Q. Quite obviously this would be a
7 pretty rare occasion that the pilot would be detained
8 for a 24-hour period?

9 A. Yes, but just in order to have one
10 basis, we chose that.

11 Q. In effect, is it not a case that the
12 detention charges vary considerable from one district
13 to the other according to whether they get the first
14 hour or not?

15 A. Yes, this is true. In some districts
16 the first hour is free of charge, and so on, and the
17 unit rate is also different, as you know.

18 CROSS-EXAMINATION BY MR. BRISSET:

19
20 Q. With reference to your Exhibit 1341
21 which has just been filed, we have the same problem
22 that has already been pointed out to you. For 1961
23 the calendar year on Exhibit 1341, the revenues of
24 District 2 are shown as \$646,000 while they are shown
25 for the fiscal year 1961-62 on 1295 as \$681,000.

26 THE SECRETARY: Which year is
27 that?

28 Q. On Exhibit 1341 for the calendar
29 year 1961 the revenues as shown are \$646,543, while
30 on Exhibit 1295 for the fiscal year 1961-62 the revenues



1 are shown as \$681,000?

2 A. Right.

3 MR. BRISSET: And with respect to
4 District No. 2 for the year 1962, the calendar year,
5 on Exhibit 1341 the revenues are shown as \$35,704,
6 while on Exhibit 1295 for the fiscal year 1962-63,
7 they are shown as \$49,000.

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1 MR. JACQUES:

2 Q. Would you seek out the explanation
3 for the discrepancy in these figures, please?

4 A. Yes. The differences -- yes.

5 Q. With respect to Exhibits 1297 and
6 1299 -- "Pilots' earnings for all districts under the
7 administration of the Minister for 1962 and 1963",
8 please. These documents state that these figures
9 are for 1962 and 1963. Would that be again the
10 calendar years?

11 A. Yes, sir; that will be the calendar
12 year in each case.

13 Q. Under the column "Gross pilotage
14 revenue", what is included?

15 A. This is all of the collections of the
16 district other than pilot boats and if there were any
17 other items which were not primarily pilotage in character
18 then they are taken out later. In other words, it
19 is really all money derived from the pilotage opera-
20 tion itself proper.

21 Q. It would include pilotage dues proper,
22 detention, cancellation, compass adjusting, quarantine
23 charges, etc.?

24 A. Yes, sir. All the items that derive
25 from the application of the bylaws with the exception
26 of the boat charges which do not come into the pilot
27 fund.

28 Q. Would you check on the accuracy of
29 the first answer with respect to the year because most
30 of the figures given in Exhibit 1297 compare with the



1 figures given in Exhibit 1295?

2 A. Yes, we undertake to do that.

3 Q. Except in Montreal. There is a very
4 wide discrepancy with respect to Montreal. Halifax
5 is the same; Saint John, New Brunswick, is the same;
6 Sydney is the same; Bras d'Or does not appear on
7 Exhibit 1295. In Quebec there is a minor difference.
8 Montreal on Exhibit 1295 would include both river
9 and harbour, would it not?

10 A. Yes.

11 MR. LALONDE: And Cornwall?

12 THE WITNESS: No, sir. The Corn-
13 wall District would be listed separately, or should
14 be. Yes, in this statement it is.

15 MR. JACQUES:

16 Q. In this statement, 1297?

17 A. In 1297 it is separately listed.

18 Q. Anyway, would you check on the year?

19 A. Yes, sir.

20 Q. And the "Pilots on strength"; would
21 that be the figure at the end of the year, at the
22 beginning of the year, or an average figure, because
23 sometimes a pilot retires during the year or additional
24 pilots are taken on?

25 A. It is at the end of the year, but I
26 would have to personally check on it to see if it
27 were so. But it should be. It is not too meaning-
28 ful for whatever date you choose this is likely to
29 fluctuate at another date.

30 Q. You mention "effective pilots".
(Page 18667 follows)



1 Would "effective pilots" as mentioned in this document
2 1297 mean the same thing as in the other document and
3 would the calculation have been made according to
4 instructions which have been filed before the Commis-
5 sion some time ago?

6 A. Yes, sir. Whatever views you may
7 have about effective pilots it is on that basis.

8 Q. Has the method of calculating
9 effective pilots changed over the years?

10 A. In actual fact our basis of doing
11 so, our official basis, our operational basis has not
12 been changed, but there has been comment of a change
13 and some discussion of a change. We will deal with
14 this, I presume, later, but affecting the river dis-
15 tricts ---

16 Q. But there has been no change?

17 A. The figures presented to you have
18 been all on the one basis so that a comparison may be
19 available. Had a change been made, well then, it
20 would have been impossible to use them in comparison.
21 They are all on the one basis.

22 Q. It is a refreshing statement.
23 "Earnings per pilots on strength"; would you explain
24 that, please?

25 A. This is a division of column 1 by
26 column 2.

27 Q. And the same explanations would apply
28 with respect to 1299?

29 A. Yes, a similar explanation.

30 THE CHAIRMAN: Will you show me the



1 exhibit, please?

2
3 ---Exhibit 1299 handed to Chairman.

4 If I look at the title of this
5 Exhibit -- "Pilots' Earnings" -- at first blush I
6 would believe that I would find somewhere in this
7 document the pilots' remuneration or pilots' income.
8 Is that not right?

9 THE WITNESS: Well, sir, it is
10 really the earning rate. It may well have only a
11 tenuous relation to what is in actual fact earned
12 by a given pilot, but the rate at which a hypothetical
13 pilot earns his money is as stated.

14 THE CHAIRMAN: His money or pilotage
15 money or money for the Authority?

16 THE WITNESS: Well, yes, that is a
17 more precise statement. In due course he receives ---

18 THE CHAIRMAN: Because in this
19 statement of "gross revenue" here you have everything
20 and some of this revenue is going to go for the dis-
21 trict expenditures -- the Authority's expenditures?

22 THE WITNESS: No, sir.

23 THE CHAIRMAN: I think so. I check-
24 ed for British Columbia. For instance you have the
25 stationery debt which is being paid off.

26 THE WITNESS: The stationery you
27 refer to, I think, is stationery that the pilots them-
28 selves ---

29 THE CHAIRMAN: It is the Authority's
30 own stationery which is not furnished.



1 THE WITNESS: Yes. There is a
2 small figure of that.

3 THE CHAIRMAN: Twelve hundred, or
4 something like that.

5 THE WITNESS: Yes, but in addition
6 there are small items, the pilots' expenses, and they
7 also are included in the statement we received from
8 British Columbia.

9 THE CHAIRMAN: And it is just divided
10 by the number of pilots, so therefore it has no bear-
11 ing on the actual earnings of any one particular pilot?

12 THE WITNESS: No, sir; it is a
13 hypothetical item.

14 THE CHAIRMAN: Because some pilots
15 are provisional and receive only 75 per cent and
16 others are full-fledged pilots and receive 100 per
17 cent, and some may not have been working, and so on.

18 THE WITNESS: Yes.

19 MR. BRISSET: In other words, Captain,
20 would you agree that we could refer to these statements
21 1297 and 1299 as indicating the pilots' productivity?

22 THE WITNESS: Monetary productivity?

23 MR. BRISSET: Money-wise.

24 THE WITNESS: Yes, subject to the
25 limitations that have been stated.

26 MR. BRISSET: In other words, the
27 work they have done as brought from the ships which
28 they have served, the revenues shown here?

29 THE WITNESS: Yes, sir.

30 THE CHAIRMAN: It is in the column



1 marked here "Earning per pilots on strength". It
2 is the share of each pilot of the gross earnings of
3 the district?

4 THE WITNESS: Yes, sir.

5 THE SECRETARY: Including ships
6 that are subject to compulsory pilotage but not taking
7 a pilot?

8 THE WITNESS: Yes, on which no
9 service has been performed.

10 THE SECRETARY: In the gross
11 revenue column you just mention that it does not
12 include the revenue coming from the pilot boat?

13 THE WITNESS: No, sir.

14 THE SECRETARY: What is the explana-
15 tion re Bras d'Or Lakes? The notation says that
16 this does not include the sum for the operation of
17 pilot boats. Why is the notation there?

18 THE WITNESS: Well, we say this; if
19 the pilots -- and in Bras d'Or they do -- supply their
20 own boats; well, then, the total money they receive--
21 some of it in fact must go towards maintaining their
22 personal boat. But when I say that it does not
23 include boat revenue I refer to the fact that we make
24 a charge whenever pilot boats services are provided
25 and that money is divorced and separated from this.

26 THE CHAIRMAN: Just to go back to
27 my first question, I think the title of this is a
28 little misleading when taken just as such.

29 THE WITNESS: Yes, sir. I am
30 afraid it is difficult to title them in one or two



1 words.

2 THE CHAIRMAN: In British Columbia
3 they use these figures to figure the take-home pay of
4 the pilot; that is what we are told.

5 THE WITNESS: Many times it has been
6 pointed out that it is not the take-home pay and it
7 has only a distant relationship to it. However, it
8 is difficult to pick in one word an appropriate comment
9 which will cover all of the contingencies.

10 MR. JACQUES:

11 Q. With respect to the Bras d'Or Lakes
12 does that figure of \$14,793 include the subsidy which
13 is paid by the government with respect to the operation
14 of the pilot boat?

15 A. Yes, sir. We paid something in
16 the order of \$750 subsidy and this was included in the
17 revenue of the district as an assistance towards their
18 personal boat expenses.

19 Q. What would be the figure of \$3,700
20 to which reference is made in that document with the
21 asterisk?

22 A. The statement Exhibit 1299?

23 Q. Exhibit 1299.

24 A. \$3,700.06 revenue used for the
25 operation of pilot boats -- well, what has been deducted
26 here is moneys . . . They personally run the pilot
27 boat as their own operation. \$3,700 of their gross
28 pay was diverted to this end. Here in this statement
29 of 1963 that sum was deducted so as to show what the
30 pilots in actual fact had got personally, one might



1 say.

2 Q. With respect to Kingston the net
3 revenue is shown instead of the gross revenue?

4 A. Yes. Kingston is rather differently
5 arranged. The total revenue of the district first
6 meets as a first charge the expense of operating the
7 district and as such the gross revenue would not
8 convey any meaning if it was put in this statement in
9 this way, so we have made this adjustment and have
10 shown the amount of revenue that goes to the pilots
11 rather than including that portion that goes to
12 operating the district.

13 Q. With respect to Exhibit 1297 for
14 Kingston, would that be also net revenue for that year
15 There is no mention of it.

16 A. I would have to look it up. To be
17 meaningful it should and I feel sure it does, but I
18 will have to look it up.

19 Q. It should show "net revenue" next
20 to Kingston?

21 A. Yes, and it undoubtedly will, because
22 the division here clearly indicates by the size of
23 the earnings that the contrary is not the case. If
24 we took the gross this figure of \$16,000 in the two
25 right-hand side columns would be very significantly
26 increased.

27 MR. JACQUES: Thank you.

28 CROSS-EXAMINATION BY MR. LALONDE:

29 Q. Captain, you stated that the notion
30 of effective pilots used was the same all the way?



1 A. Yes.

2 Q. Are you referring to these particular
3 exhibits 1297 and 1299?

4 A. Yes, sir.

5 Q. Or are you stating that the notion of
6 effective pilots used since you started using this
7 notion in the department remained the same?

8 A. I am saying both.

9 Q. You are saying both?

10 A. That the notion was unchanged in an
11 operational sense and also the figures here were so
12 computed.

13 Q. And the way this is or should be
14 computed appears in Exhibit 1307 filed by your depart-
15 ment; is that not correct? That is the way it was
16 done or it should be done?

17 A. Yes. This is the statement of the
18 case, yes.

19 Q. You are quite sure that this system
20 was followed consistently, let us say since . . .
21 When did you start using this -- 1960, 1961?

22 A. Yes, it was 1960. I think so.

23 Q. And this was the same in all the
24 districts?

25 A. The mode was the same. But cer-
26 tainly different circumstances arise in different
27 districts and as such the computation, the arithmetic,
28 comes out somewhat differently; but the basis is the
29 same, yes.

30 Q. You mean the same rule as appeared in



1 Exhibit 1307 has been applied?

2 A. Well, I would have to read it in
3 detail.

4 Q. What do you mean when you say it may
5 vary from district to district?

6 A. For example, in the St. Lawrence
7 districts where the active season is only a portion of
8 the year there is not the official so-called leave
9 period allowed and for that reason this does not
10 appear in the calculation.

11 However, there was a different arrange-
12 ment made here, one which possibly departed from
13 logic somewhat, but we felt it was quite reasonable.
14 That was that we arranged that pilots would take off
15 not more than ten days each during the course of the
16 year and this would not be counted. One might
17 criticize that on the basis of logic, and I think
18 logically it is not quite right, but it is a reason-
19 able adjustment, we thought -- and we still think.

20 Q. I see.

21 A. But no such arrangement existed in
22 districts which have a twelve-month operation, for
23 they have a statutory leave, although here again the
24 word "leave" seems to me to be quite inappropriate.

25 Q. But what you have just referred to
26 does not appear in Exhibit 1307 which you filed, does
27 it?

28 A. Well, if I may just briefly read it
29 out, it gives the number of pilots. As an example
30 here is the number of pilots licensed for the district.



1 The number of days in the month is the next item.
2 It says "between the first and the tenth day -- 27
3 pilots available" and it goes on in this fashion.
4 Then it shows the computation of the revenue and as
5 such, as you say, does not make a comment on these
6 ten days. It is a rather truncated and rather brief
7 explanation and it was intended for people who sort
8 of understood how this went. It is not a full
9 summarization of the operation as it applies in each
10 different district.

11 Q. In fact what you have provided the
12 Commission with is a skeleton statement which may
13 vary from district to district?

14 A. Well, vary in application, yes, but
15 essentially, basically ---

16 Q. Yes, but it varies in the sense that
17 in some districts you might allow so many days' absence
18 without counting them and in other districts so many
19 days according to the variation of the districts, the
20 local conditions and all that?

21 A. Really this is so, yes.

22 Q. In how many districts do you apply
23 the rule as such strictly?

24 A. We apply the rule in this fashion if
25 the district operates and has a statutory absence
26 period -- so-called leave.

27 Q. That is not my question; you are
28 answering in a hypothetical way. I am asking in how
29 many districts you apply the rule you have before you
30 in Exhibit 1307 as such?



1 A. I think the explanation is not really
2 full here and as such it varies. As I have said
3 before I think this would be inadequate for the
4 computation in any given case.

5 Q. So it is a fair statement that this
6 is just a skeleton statement?

7 A. Yes, I would be prepared to go
8 along with that comment; but I may say, sir, if I may,
9 that this matter of effective pilots has been discussed
10 at very considerable length and of course there are
11 sharp divergencies of opinion on it. We have
12 explained. I do not mean that necessarily everyone
13 is going to accept our explanation, but we have ex-
14 plained the department's view on this and we are
15 quite prepared to explain it again, of course. We
16 think it is reasonable.

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1 Q. You have explained the department's
2 views, you say?

3 A. Yes.

4 Q. Who has decided on the department's
5 view? If the Minister speaks, is this the depart-
6 ment's view?

7 A. Yes. I perhaps could be permitted
8 to explain this further. With respect to the arrange-
9 ment that was made at the work stoppage, it included an
10 arrangement whereby thirty days would be allowed in
11 the river districts for absences without affecting the
12 calculation of the effective pilots but this was not
13 in operation valid for the reason we wished to secure
14 a continuity of figures for comparison purposes but
15 we have not since that time had any negotiations with
16 the pilots in which these figures have been used.

17 Q. I am sorry. This is a different
18 matter, but since you opened this problem up now, you
19 are telling me that although the Minister made a
20 statement and signed the statement to the effect,
21 as Minister, and after consultation with the department
22 officials, the officials decided not to comply with
23 that in subsequent figures used. That is what happens
24 in effect, is it not?

25 A. As I say, we have not used the
26 figures for the purposes they are used with pilots
27 and this is in discussions of rate adjustments and so
28 on.

29 Q. What you mean in effect is that
30 there were no negotiations for tariff for three years;



1 any agreement was with the Minister, so in effect
2 there were no negotiations and no paper prepared for
3 these negotiations. That is quite obvious?

4 A. Yes.

5 Q. But have you not since published,
6 prepared and published in the sense of making available
7 documents ---

8 A. Yes.

9 Q. Under the former basis or old basis?

10 A. Yes, this is right. We have.

11 Q. But is it a fact that you never pre-
12 pared a single document for distribution on the basis
13 of the statement signed by the Minister?

14 A. No, not for publication, that is
15 right.

16 Q. And not even for internal use?

17 A. Yes, we have. Very recently we
18 found at its inception, looking over the effect of
19 this, we found it would indicate pretty much the same
20 figure as using pilots on strength.

21 Q. You have done this only very recent-
22 ly, I am told.

23 A. Yes, recently ---

24 Q. This goes back to April, 1962?

25 A. Yes, this is so.

26 Q. It took you two years approximately
27 to try out the statement signed by the Minister?

28 A. No. As I say, the reason why this
29 was done in order to follow the trends, we used the
30 older basis, the outmoded basis just to see how the



1 trend was continuing for if it were changed immediately
2 then the comparison would no longer be available to us.

3 Q. In effect, I submit to you you
4 decided not to use the statement made by the Minister.
5 Is that not what it comes to, in effect?

6 A. We have no ground for such a
7 decision. We cannot possibly deny and go contrary
8 to the explicit instructions so we cannot say ---

9 Q. Instead of having explicit instruc-
10 tions, you just decided not to follow them?

11 A. I don't think it would be fair to
12 say we decided not to follow it. The explanation is
13 as I have advised that this old basis was used for
14 comparative purposes and when negotiations are com-
15 menced with the pilots we shall have a new basis at
16 that time.

17 Q. Let us take out the word "decide".
18 In effect you ignored the statement signed by the
19 Minister; is that correct?

20 A. Well, no, I wouldn't agree with the
21 use of the word "ignore".

22 Q. Well, tell me one instance where it
23 was used in a distributed document or a published
24 document over the last two years?

25 A. No, there is not one.

26 Q. You were aware all the time this
27 document had been signed by the Minister

28 A. Yes, I was aware.

29 Q. Were you given specific instructions
30 from the Minister to the effect that you should follow



1 his directives?

2 A. No. It is obvious the instructions
3 are there and it requires no more than that.

4 Q. Now, if you will look at Kingston,
5 let us take 1962 and 1963. It is just the same.
6 You state the pilots on strength are twenty.

7 A. Yes, sir.

8 Q. In effect, the department knew that,
9 since the Great Lakes Basin system has been in operation
10 -- as a matter of fact it is in the International
11 Agreement itself that in the Kingston District you
12 had twenty-four men although only twenty would be
13 retained on the lists in order to arrive at a figure
14 of thirty-two total pilots with twelve American pilots
15 in District No. 1. You were quite aware of that
16 measure?

17 A. Yes.

18 Q. Nonetheless, is it not a fact all
19 the figures put out for the Kingston District as
20 pilots on strength always were kept at the maximum
21 of twenty like in these two statements?

22 A. Well, the explanation of this goes
23 back to the very inception of the joint arrangement.
24 When this joint arrangement took place there were
25 24 pilots and the pilots themselves approached the
26 department and asked that they be allowed -- that
27 24 be allowed to retain licences on the understanding
28 they would share the work of the 20, so this permission
29 was granted and thereafter there were 24 and they came
30 down to 21 till this week there is now 20.



1 Of the 20 that were on strength we
2 were not allowed to use one of the surplus in the event
3 of a sickness of one of the 20 for the Americans when
4 we suggested doing this pointed out they did not have
5 an opportunity for doing likewise on their side and
6 they would not permit us to take advantage of this
7 peculiar circumstance on our side.

8 It is for this reason although we
9 had and could have kept the strength up to about 18.89,
10 for example, we were not permitted by this arrangement
11 in which after all we saw the essential justice.

12 Q. We will come to that later. My
13 only point is that while the department was very well
14 aware in effect that the \$324,000 earned in 1962 was
15 in effect earned by 23 pilots, maybe, that year --

16 A. Yes.

17 Q. And the previous year by 24 pilots
18 and not by 20 pilots, this is not a statement published
19 for international negotiation with the American govern-
20 ment. This was the type of statement published to
21 indicate as my friend Mr. Brisset said money-wise
22 productivity of the pilots in a district. You knew
23 quite well that in Kingston, for example, in 1962 you
24 had there 23 men and there were not three men left
25 out.

26 A. You are coming, sir, to the very
27 crux of the matter. When these pilots were offered
28 the civil service positions there were 20 available
29 and they did not wish to accept this arrangement and
30 we pointed out that it would be only possible to engage



1 twenty and they said "Well, -- " they asked if the
2 Minister of the department would possibly allow 24
3 to be taken on and they would share in fact the
4 earnings of the twenty amongst the 24 ---

5 Q. Yes.

6 A. And so the members of the department
7 said this will reduce their earnings by one-fifth and
8 they will think their earnings are not high enough and
9 this view was put and decided on the
10 basis that the pilots were clearly agreed that they
11 preferred to have four-fifths of their salary than
12 four of them out of work, rather than the other
13 arrangement.

14 Q. Yes, and then what was stated is
15 that the pilots would use this statement if it were
16 based on 24 to state that their earnings were too low
17 and you decided to use the other arithmetic figure
18 of 20 and ignore these three or four men who were
19 then on the 11st. That was the reason why you decided
20 to do that?

21 A. The reason is we only had 20. This
22 was on their personal request this was done.

23 Q. Is it not a fact you have in Kingston
24 in 1961, I think -- what was the first year of the
25 first Great Lakes Basin agreement with the United
26 States?

27 A. August, 1960.

28 Q. No, certainly not 1960?

29 A. August, 1960. The Act came into
30 effect in 1961.



1 Q. This started in the spring of 1961?

2 A. That is right.

3 Q. Then you have 24 Canadian pilots at
4 work in the Kingston district and sharing so much money?

5 A. Yes.

6 Q. What was stated, I do not challenge
7 that the pilots did decide to share between themselves.

8 A. Yes.

9 Q. Between 24 instead of 20 in order
10 to keep everybody employed. I can very well under-
11 stand in negotiations or arguments you could have
12 stated that they had agreed themselves to that and if
13 their earnings were found too low by them they had ---

14 A. Yes.

15 Q. --- decided upon that themselves.

16 A. Yes.

17 Q. But when you use published figures
18 like this, this has a kind of official character
19 whether you want it or not, it is, you publish pilots
20 on strength as 20 and earnings over \$16,000 per pilot
21 on strength. You know quite well all the time that
22 it is not 20 who are dividing the \$234,000 but 24
23 or 23 or 21 pilots, according to the year? You knew
24 that all the time?

25 A. The facts are not in dispute whatso-
26 ever. We both understand the facts. It is merely
27 the interpretation of what is appropriate following
28 from these facts, the different ---

29 Q. The only reason -- I am sorry to
30 interrupt -- the only reason that you did not put



1 24 or 23 in 1962 on this Exhibit 1247 was that you
2 were afraid this would make it appear the figure of
3 gross earnings per pilot on strength were too low.

4 A. We felt that it flowed properly
5 from the arrangement that there were 20 jobs there and the
6 pilots said they preferred to share the moneys by
7 the 24 people.

8 Q. Is it not a fact that never in the
9 negotiations did the department agree to discuss the
10 earnings on the basis of earnings per pilot on strength,
11 that is the total number of pilots; that all the
12 figures which were put out for the yearly negotiations
13 between 1960 and 1962 were put out on the basis of
14 effective pilots?

15 A. Yes. In general, that is the whole
16 purpose of computing effective pilots.

17 Q. Is it not a fact that the exhibit
18 which you are producing now as Exhibit 1297 and 1301
19 with the number of pilots on strength and earnings per
20 pilot on strength are figures that were not
21 available for negotiation purposes in
22 1960, 1961 and 1962 you do not have any such calcula-
23 tions. The calculations were made only on the basis
24 of effective pilots and earnings per effective pilots.

25 A. Well, I think we should be quite
26 clear in this. The effective pilots result is the
27 only one that is more closely looked at. This is
28 done because it flows from the idea that the effective
29 pilots concept is a valid one.

30 Q. That is a very nice answer but not



1 an answer to the question I put to you.

2 A. I might say that we produce masses
3 of figures at any given time, and we do produce, for
4 example, for internal review figures on pilots on
5 strength also. We do not exclusively produce figures
6 of effective pilots basis.

7 Q. In order to help things along would
8 the reporter read the question I asked a few minutes
9 ago?

10 ---Reporter reads:

11 "Is it not a fact that the exhibit
12 which you are producing now as Exhibit
13 1297 and 1301 with the number of pilots
14 on strength and earnings per pilot on
15 strength are figures that were not
16 available for negotia-
17 tion purposes in 1960, 1961 and 1962,
18 you do not have any such calculations.
19 The calculations were made only on
20 the basis of effective pilots and
21 earnings per effective pilots."

22 Q. Is it not a fact that for negotiation
23 purposes in 1960, 1961 and 1962 you never put out
24 figures on the basis of pilots on strength and earnings
25 per pilot on strength?

26 A. Not submitted here, that is correct.

27 Q. I asked you yesterday to look for
28 such a statement in your files. Have you been able
29 to find them?

30 A. No, I am afraid we have not done so



1 yet.

2 Q. Would you mind looking for and
3 filing with this Commission documents distributed to
4 pilots and shipowners for negotiation purposes in
5 1960, 1961 and 1962?

6 A. Yes, we will do that.

7 Q. You know what I am referring to?

8 A. Yes.

9 THE CHAIRMAN: Would you like to
10 adjourn now, Mr. Lalonde?

11 MR. LALONDE: I would appreciate it,
12 my lord.

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14 ---Luncheon adjournment.
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1 ---UPON RESUMING AT 2:30 P.M.

2 MR. JACQUES: We are interrupting the
3 evidence given by Captain Jones in order to hear people
4 from the Financial Division of the Department of
5 Transport, My Lord, on Exhibit 1295 and other financial
6 Exhibits.

7 MR. P. T. DIXON, Sworn

8 DIRECT EXAMINATION BY MR. JACQUES:

9 Q. What is your position with the
10 Department, sir?

11 A. Superintendent, Accounting
12 Research and Development.

13 Q. Are you familiar with the
14 accounts for Marine Services, Nautical and Pilotage
15 Division?

16 A. Statements here referred to as?

17 Q. Exhibit 1295.

18 A. Yes.

19 Q. Exhibit 1295, sir, includes
20 financial statements for the fiscal years 1960-61 to
21 1963-64. We were told this morning by Captain Jones
22 that the mentioned statement of revenue and expenses
23 for the fiscal year may not be quite exact; that the
24 figures contained in the statement might be for a
25 slightly different period of time.

26 A. Well, I would like to qualify
27 one point. You asked if I was familiar with the
28 statements in Exhibit 1295. There are really four
29 pieces. Two of these were prepared by the FSR,
30 Financial Division, and two were prepared by pilotage.



1 Q. Which did you prepare?

2 A. The early two; I think it is
3 1960-61 and 1961-62. The other two prepared by the
4 Pilotage Division. We may have assisted them in some
5 way on it.

6 Q. For 1960-61 the figures given
7 in that statement refer strictly to the fiscal year?

8 A. I couldn't give a direct answer
9 on that without going back into the records of the
10 Department and look at the statements in the relation
11 of disbursements to revenue. I would be inclined to
12 think this is a cash statement rather than accrual
13 statement, but we would have to go back into our
14 working papers and departmental records to verify
15 that.

16 Q. Whether a cash statement or
17 accrual?

18 A. I couldn't say definitely on
19 that. I would think though this is likely cash, the
20 one we have here, knowing what we had available to us
21 at the time.

22 Q. From your memory do you know
23 where you got the information to prepare that statement?
24 Do you recall?

25 A. No, I don't recall.

26 Q. On page 3 of the 1960-61 statement
27 note 5 reads as follows: "Fringe benefits were
28 estimated at the rate of 19% of straight time payroll
29 except for Port Weller and Labrador where rate used
30 was 12½%".



1 Would you explain why the
2 difference in rates?

3 A. Well, we have done a number of
4 cost studies in the Department in the last few years.
5 We have developed percentages which can be related to
6 payroll, depending on the type of employee. The 19%
7 used in this particular report was intended to apply
8 to the normal Civil Service type employee as distinct
9 from prevailing rate or the pilotage type of employee
10 as referred to in this report. Civil Service as
11 distinct from public service have different fringe
12 benefits, and that is the reason the percentages
13 are different.

14 Q. I see. Today what would be
15 the percentage for Civil Service and percentage for
16 public service?

17 A Well, I haven't worked any
18 recent figures on this, and my staff has not, but I
19 believe Mr. McIlraith recently quoted 23% or 25% for
20 Civil Service.

21 Q. For Civil Service?

22 A. Yes.

23 Q. I refer you to the statement
24 for 1963-64 where the note reads as follows: "Fringe
25 benefits 15½% straight time payroll".

26 A. This is one of the statements
27 which we did not prepare, so the rate in there would
28 have been the opinion of the person at the time.

29 Q. The person who prepared it or
30 the section who prepared the statement?



1 A. They might have had advice
2 from us, but 15½ is used on that.

3 Q. Now, would you turn to Exhibit
4 1340, Schedule 7, page 15? This is a table, a compara-
5 tive statement of operating revenues and expenditures
6 by establishments for the pilotage services. Did
7 your service prepare this statement?

8 A. The red book is prepared by
9 my section, yes.

10 Q. Would you explain what is meant
11 by the word "revenues" used in this statement?

12 A. In this statement revenue refers
13 to the cash received in the given fiscal year.

14 Q. Cash received in the given fiscal
15 year? Now, referring to Exhibit 1295, which I think
16 is one of the statements which your section prepared,
17 referring to Exhibit 1340, would you point out the
18 revenue for the establishment and tell me whether they
19 are the same or not?

20 A. On the statement for 1960-61 there
21 is revenue shown as being related to pilots, and there
22 is revenue for the Receiver General. The Exhibit 1340
23 only includes revenue referred to in Exhibit 1295 as
24 Receiver General revenue. And you go down the list
25 here. There may be variations. St. John's, \$15,000.00,
26 Labrador, \$14,000.00, Sydney, Nova Scotia, \$11,000.00.
27 There is \$10,700.00 in the red book.

28 Halifax, \$27,900.00. It is
29 \$28,000.00 in the statement. Quebec, \$132,000.00. You
30 would have to group the two statements there, the



1 \$33,000.00 and the \$98,000.00.

2 Q. In fact, on Exhibit 1340, under
3 the section "Quebec", you would have to group all the
4 items which are marked there?

5 A. Yes, to come up to the hundred
6 and thirty-two. Ontario, you have five hundred and
7 sixty-two, and British Columbia, thirty-nine.

8 Q. So this red book contains only
9 what is called in Exhibit 1295 Receiver General revenue?

10 A. That is correct.

11 Q. Now, what about the operation
12 and maintenance expenditures as mentioned --

13 A There may be one question here
14 on this statement. The statement 1295 shows a total
15 of eight hundred and fifteen. The red book is
16 eight hundred and fifty-five. There is a difference
17 there of \$40,000.00 which related to a claim which
18 the Department recovered as a result of other
19 operations which would be distinct from pilotage.

20 I believe there was a vessel
21 which was sunk, and when the claim was received it
22 was recorded in the red book as Saint John Pilotage
23 District, and you will notice in there we say
24 \$53,000.00 whereas in the statement we only have
25 \$14,000.00. If you go down the Receiver General
26 column you will find \$14,000.00 opposite Saint John
27 New Brunswick.

28 Q. That would be the explanation
29 for the discrepancy between the two figures?

30 A. Yes.



1 Q. Now, in Exhibit 1340, the
2 red book, would you explain what is meant by the
3 heading "Operation and Maintenance Expenditures",
4 and if you can, trace the same figures on Exhibit 1295
5 for 1960-61?

6 A. The red book, once again, shows
7 cash statement. It is a statement of cash disbursements
8 by the federal government for these particular
9 establishments, and it is not an accrued statement; it
10 is just disbursements that went through in that
11 particular fiscal year.

12 Q. What about Schedule A to
13 Exhibit 1295?

14 A. Schedule A, I would say, is
15 pretty much the same except we have some regroupings.
16 The expenditures shown in Schedule A include the
17 disbursements for telecommunications equipment,
18 teletype services which are shown under rental of
19 teletype equipment. The total expenditure there is
20 \$32,000.00.

21 Of that amount, \$6,000.00 is
22 included under British Columbia in the red book. The
23 remainder is shown in another part of this report, and
24 you could not identify it there, but it was paid through
25 Marine Reporting Service appropriation, not through
26 pilotage, but the pilotage appropriation charged for
27 the \$6,000.00 for British Columbia, and there are
28 also adjustments as noted on the statement for salary
29 charges.

30 The Director of Marine Regulations



1 and I believe the Superintendent of Nautical are not
2 necessarily included in the red book, but in our
3 statement, Schedule A, we attempted to allocate some
4 of the costs of their salaries to our statements, and
5 as a result you have a difference in the figures.

6 Q. Tell me, just out of curiosity,
7 when you have expenses which are incurred, say, in
8 the fiscal year of 1959-60, and the work has been done
9 in 1959-60 but the payment is made in the 1960-61
10 fiscal year, where would that expenditure be shown? In
11 1960-61 or 1959-60?

12 A. In the 1960-61. If a disburse-
13 ment is made during 1960-61, it would show in that
14 column.

15 Q. And the position with respect
16 to revenue is the same thing? If it is under a Bill
17 which had been sent two years ago or six months prior
18 to the end of the fiscal year, it would appear in the
19 succeeding year?

20 A. Yes. There is one restriction
21 here that you might have to keep in mind. The Financial
22 Administration Act allows the Department to pay what
23 we would call old year expenditures up to the end of
24 April of the new fiscal year, so that every charge
25 that has been incurred in February, and the bill was
26 received in March, we could pay this up to the end of
27 April, and to that extent those statements are accrued.

28 If that bill was not received
29 until June, it would be paid as a 1960-61 expenditure.

30 Q. One last question: Would your



1 section of the Department consider monies received
2 by the Pilotage Authority for and on behalf of pilots
3 -- that is, pilotage dues -- would you consider that
4 public money within the meaning of The Financial
5 Administration Act?

6 A. No, not the revenue received by
7 the sections, or at least the pilotage Districts where
8 we are not employing Civil Service pilots. Such
9 places as Quebec City and Montreal. This would not be
10 public money to go into the consolidated revenue fund.
11 We would not take it in, but this would be treated
12 as money more or less entrusted to the Department.

13 Q. Might it be considered then
14 money paid to Canada for a special purpose?

15 A. I would think the latter would
16 be the situation. If I recall the definition of public
17 money --

18 Q. I might read it to you if you
19 wish.

20 A. Okay.

21 Q. Public money, under Section 2,
22 Sub-Section (m) of the Financial Administration Act
23 is defined as follows:

24 "It means all money belong-
25 ing to Canada, received or
26 collected by the Receiver
27 General or any other public
28 officer in his official
29 capacity, or any person
30 authorized to receive or



Dixon, dir
(Jacques)

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collect such money, and
includes:

(1) Duties and revenues
of Canada;

(2) Money borrowed by
Canada or received through
the issuance or sale of
securities;

(3) Money received or
collected for or on behalf of
Canada;

(4) Money paid to Canada
for a special purpose."

The same Act defines money paid to Canada for a special
purpose as follows:

"It includes all money that
is paid to a public officer
under or pursuant to a
statute, trust, treaty,
undertaking or contract, and
is to be disbursed for a
purpose specified in or
pursuant to such statute,
trust, treaty, undertaking or
contract."

A. I would have just to give my own
opinion on that.

Q. Yes, please?

A. It might not be valid all the way.
I would think the pilotage fund would fall into the



1 latter category because they are not really revenues
2 of the Crown. They are more funds that have been
3 entrusted to the Department or to the Minister on
4 behalf of the pilots.

5 Q. So it might be money paid to
6 Canada for a special purpose?

7 A. Yes, I would think that.

8 Q. And this is your own personal
9 opinion?

10 A. This is my own personal opinion.
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1 MR. JACQUES: My Lord, I should now
2 like to file as Exhibit No. 1342 a yellow booklet
3 entitled "Annual Financial Report as at March 31st, 1963"
4 issued by the Department of Transport.

5 ---EXHIBIT NO. 1342: Annual Financial Report as at
6 March 31st, 1963, issued by the
7 Department of Transport.

8 Q. Would you tell us the difference
9 between Exhibit 1340, which is the Annual Statistical
10 report, and the Annual Financial Report which is
11 Exhibit 1342, since both refer to operating expenses
12 and maintenance expenses? The data concerning the
13 pilotage services is contained in page 12 of Exhibit
14 1342.

15 Would you like to step down
16 and study this document?

17 A. Just to get the relative
18 positions in my mind, I would like this.

19 MR. JACQUES: We could resume the
20 evidence of Captain Jones, if Your Lordship wishes.

21 MR. LALONDE: Just while you are there,
22 I am showing you Exhibits 1297 and 1301. Do you have
23 anything to do with the preparation of these documents?

24 THE WITNESS: These I do not recognize
25 at the moment.

26 MR. LALONDE: I believe you stated that
27 you were concerned with 1960-1961 and 1961-1962 in
28 Exhibit 1295?

29 THE WITNESS: 1960-61 and 1961-1962.

30 MR. LALONDE: And these deal with fiscal
years properly from the 1st April to the 30th March of



1 the following year?

2 THE WITNESS: Yes.

3 MR. LALONDE: And you do not know whether
4 the same rule was applied for the following years?

5 THE WITNESS: No.

6 ---Witness withdrew.

7 -----

8 CAPTAIN D. R. JONES, Recalled

9 DIRECT EXAMINATION BY MR. JACQUES:

10 Q. Captain Jones, under the same
11 oath, can you tell us who prepared the parts of
12 Exhibit 1295 for 1962-1963 and 1963-1964?

13 A. The left-hand columns in the
14 left hand of this statement --

15 Q. You mean revenue?

16 A. Yes, revenues are prepared
17 entirely from pilotage sources.

18 Q. You said that already, but
19 who actually totals up all the figures and prepares
20 this statement? Is it you personally?

21 A. No, not me personally. It is
22 done in the head office -- the pilotage section in
23 head office.

24 Q. Is there an accountant who does
25 this type of work?

26 A. Yes. For example we have here
27 at present Mr. Kennedy, who does this work now. Formerly
28 we had it done by others.

29 Q. For 1962-1963 and 1963-1964 do you
30 know who actually prepared these figures?



1 A. The person?

2 Q. Yes?

3 A. No, I am not sure. I think I
4 know who it is but I would not be quite sure.

5 MR. BRISSET: It has the initials A.R.K.
6 at the bottom.

7 THE WITNESS: These are the initials of
8 Mr. Kennedy here. At the present time Mr. Kennedy does
9 it but prior to Mr. Kennedy's coming to our Department
10 it was another person. I think it was Captain Bennett,
11 but I am not quite sure.

12 MR. JACQUES: Oh, I see.

13 -----

14 CROSS-EXAMINATION BY MR. LALONDE:

15 Q. On this subject, Captain Jones,
16 I understand that Mr. Kennedy ---

17 A. Yes, Mr. Kennedy is ---

18 Q. Mr. Kennedy did prepare 1962-1963
19 and 1963-1964. You can consult with him.

20 A. Yes. Apparently he participated
21 in the preparation of it with others but prior to that
22 time....Mr. Kennedy has not been with us very long.

23 Q. I see, and do you know whether
24 the indication as being for fiscal year 1962-1963 and
25 fiscal year 1963-1964 is valid or whether it should
26 rather be calendar year for these years?

27 A. Well, as I explained this
28 morning, I know full well that we did not have the
29 revenue statements on a fiscal year basis as such. They
30 come in on a calendar year basis and the figures of the



1 fiscal year would not be available to us on that basis
2 so they could not be prepared in that fashion. The
3 local officers submitted the report in December and
4 it may well be that there is no difference. For example,
5 in a District which is quiet in the wintertime there
6 would be no difference, but nevertheless the date is
7 December 31st.

8 Q. Do I understand you to say then
9 that the two reports for 1962-1963 and 1963-1964 should
10 be read as pertaining to calendar years only? That is,
11 the first one should be "Statement of revenue and
12 expenses for year 1962" and the second one "Statement
13 of revenue and expenses for calendar year 1963"?

14 A. Well, I should perhaps explain
15 that while I say we have no reports from the field,
16 financial reports, as at the 1st April or the 31st
17 March, therefore we are quite incapable -- it is not
18 possible for us to prepare the figures on that basis.
19 However, in head office we have statements at those
20 dates. Consequently it would be possible to include
21 insofar as head office, headquarters figures are
22 concerned, the data of that latter date. It should be
23 possible.

24 Q. So in effect you might very well
25 have in the same sheet here figures pertaining to the
26 31st December, 1962 and other figures pertaining to
27 the fiscal year ending 31st March, 1963 -- on the same
28 sheet? For instance, revenue could be to the 31st
29 December and expenses to the 30th March?

30 A. It is a possibility, yes, but in



1 as much as the figures were prepared by others I trust
2 that this was not so. But it is a possibility.

3 -----

4 DIRECT EXAMINATION BY MR. JACQUES:

5 Q. I recall, Captain Jones, that
6 in most Districts where money is pooled and shared by
7 the local Supervisor, at the end of the year they
8 share what is left in the pool. They have, say, from
9 January to December a set amount which they distribute
10 to pilots --whether it is \$500.00 a month or \$600.00
11 a month -- and at the end of the year.... Let us take
12 Halifax for instance. They share the remainder of
13 the pool?

14 A. This is done in some Districts.
15 Payment on account is made every month and really a
16 settlement is made once in the year. This is true.

17 Q. And the figures contained in
18 1295 as "Paid to Pilots", what would they represent?

19 A. Well, they would be the
20 summation of those 12 monthly payments, eleven monthly
21 payments on account, plus the terminal payment which
22 was the settlement and the disposal of all available
23 monies collected up to that time.

24 Q. Let us start in January. In
25 January money comes in in one District -- let us say
26 Saint John, New Brunswick -- in a busy month and they
27 retain that money into the fund. But this is money
28 from the previous fiscal year?

29 A. Some of it may well be, yes.

30 Q. Yet it is paid during the



1 subsequent fiscal year and that would be included in
2 your statement, even though it was money which had
3 been received by the Authority in the preceding fiscal
4 year, but paid to the pilot in the subsequent
5 fiscal year?

6 A. That is right. This follows the
7 fact that we operate on a cash basis, not on a true
8 accounting basis in that sense.

9 Q. So we might say that some of these
10 figures in 1295 are accurate to \$1,000.00 more or less?

11 A. Yes. The amount outstanding
12 shown is not significant in ratio to the total revenue.

13 Q. And if we take a series of them,
14 as we have now for four or five fiscal years, the
15 average might come out just about right?

16 A. Yes, in as much as if it were a
17 carry-over of \$1,000.00 each year it would nullify its
18 effect entirely then.

19 Q. That is correct, and the only
20 item or the only factor which could modify the figure
21 substantially is the case where in some Districts the
22 accounts receivable have accumulated to a high ---

23 A. High fluctuation, yes, this is
24 correct.

25 MR. JACQUES: Thank you.

26 -----

27 CROSS-EXAMINATION BY MR. LALONDE:

28 Q. In effect, Captain, is there any
29 way other than basing yourself on the fiscal year in
30 the Department to find out your expenses during the



1 year? I mean, supposing that Captain Bennett did
2 prepare that. Quite obviously as far as revenues are
3 concerned he had the figures from the Districts --
4 right? Then he wanted to prepare a statement for
5 this purpose here on the expenditure side.

6 A. Yes?

7 Q. Let us call it "Ottawa head-
8 quarters". Was there any way by which he would have
9 been able to find what the expenditures would have been
10 to the 31st December of that year for the pilotage
11 service in Ottawa headquarters expenditure? Do you
12 have monthly statements in the government?

13 A. It would be possible to secure
14 figures in the accounts at some interim date, but
15 really, if I may say so, a more important matter in
16 the aim of getting a true accounting would be
17 certainly to have proper dates, but also it would be to
18 run the books on an accrual basis -- that is to say, on
19 a true revenue.

20 Q. Yes, this has been seen already.
21 But I think it is a pretty obvious and blatant error if
22 in the same figure you balance revenue for calendar
23 year with expenditure for fiscal year and you say you
24 balance or have a profit or a loss.

25 A. This is why I said it was a
26 possibility, but we would have to consult the financial
27 services who provided that.

28 Q. My question is, do you have
29 available on a monthly basis the expenditures of
30 each service?



1 A. There is available in head-
2 quarters records of the expenditures right throughout --
3 monthly or whatever date you elect to pay. But the
4 accountants could pass a comment with respect to the
5 possibility you mentioned -- whether it was an
6 actuality or not.

7 MR. JACQUES: Would you step down for
8 a moment, please?

9 THE WITNESS: Certainly, sir.
10 ---Witness withdrew.

11 -----

12 P. T. DIXON, Recalled

13 DIRECT EXAMINATION BY MR. JACQUES:

14 Q. Now, sir, are you able to
15 explain the two publications, 1340 and 1342?

16 A. 1342 is one that we try to put
17 out in the summer as quickly after the close of the
18 fiscal year as possible. It is really a compendation
19 of what is in the Exhibit 1340 and the totals,
20 excluding variations because of rounding, are more or
21 less agreed between the two books.

22 For example, on page 12 there
23 is a listing of expenditures for the various pilotage
24 offices and these are listed once again on Schedule 7
25 of 1340. There were some variations in here but
26 basically the same information is shown on page 12.
27 On page 15 there is a total shown for the pilotage
28 services.

29 Q. Page 15 of 1342?

30 A. Yes. There is a total shown here



1 by fiscal year for the pilotage services and the amount
2 for the year 1962-1963 is \$1,651,000.00. If you
3 turn to 1340 the total expenditures shown on
4 Schedule 7 for 1962-1963 is \$1,522,000.00, and in
5 Schedule 8 there is a further expenditure for
6 nautical and pilotage of \$127,000.00. Those, barring
7 variations for rounding, give you the figure as shown
8 in 1342 at page 15.

9 The same condition applies as
10 to the revenue. These can be traced back in identical
11 fashion.

12 MR. JACQUES: Thank you, sir.

13 Is the Commission satisfied with
14 the explanation given on these documents?

15 THE CHAIRMAN: Yes. As I told you before,
16 of course, we are going to analyze those things. They
17 shall be reconciled and should we have any questions
18 to ask, then we are going to ask them the way we did
19 before, through correspondence.

20 MR. JONES: Thank you very much.
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CAPTAIN JONES, Recalled

DIRECT EXAMINATION BY MR. JACQUES:

Q. With respect to Exhibit 1297 and 1299, pertaining to pilots' earnings --

A. Yes, sir.

Q. Frankly I can see the purpose in having a calculation for effective pilots. What is the purpose of calculating earnings per effective pilot?

THE CHAIRMAN: I think this is obvious if you do not think of the title. Even if you qualify the title it would be the gross earnings of a District divided by the number of pilots. Then you have your answer. It is not pilots' earnings at all.

MR. JACQUES: Q. Even with that total, what is the purpose of all of that?

A. Well, the purpose of that is twofold. One is that these are used to follow the trends of revenue -- to avoid the use of the word "earnings". This frequently arises in an immediate way when a question comes up of making adjustments to tariff.

Q. Surely, Captain, you do not mean to say that the revenue of a District depends upon whether a pilot is available or not. A pilot may be available for a whole week and yet not pilot a ship and the revenue would be nil.

A. The other factor is the adequacy of the pilots' force, the number of pilots on strength, available.



1 Q. Surely this should not be
2 connected with money. It should be connected with the
3 number of trips or the length of trips.

4 A. Well, this is true and here we
5 have subsidiary other statements showing the duration
6 of tour time, the time in which this money was earned
7 and these are two -- they are really counterparts, one
8 of the other, in one sense.

9 MR. JACQUES: Thank you.

10 -----

11 FURTHER CROSS-EXAMINATION BY MR. LALONDE:

12 Q. Now, we discussed this morning
13 the situation at Kingston where you had 24 pilots for
14 a while while your statistics indicated 20. Now, we
15 have also seen roughly the way your effective pilots
16 were arrived at. If a pilot in a District were to
17 be absent, let us say three days or 15 days -- let
18 us say 15 days -- you would then calculate that for
19 15 days you had one pilot less on the list. That is,
20 instead of, for instance, 77 pilots you would then
21 have 76 pilots or 76 effective pilots?

22 A. I take it that this is not the
23 annual statutory leave and this is sickness or for
24 other causes?

25 Q. Yes. That is right. Then you
26 would have a list of 76 effective pilots during that
27 occasion. Now, as you know, all over Canada I think
28 pilots work on tour-de-role or on turns. You know that.

29 A. Yes, tour-de-role itself has
30 several fluctuations of rules.



1 Q. But in general terms pilots in
2 Canada work on the basis of pretty well roughly
3 equalization of trips. Let us put it that way.

4 A. Well, I hope I am not making
5 difficulties, but even that is not quite right. For
6 example, in British Columbia there is no such thing
7 as equalization of trips because that is quite
8 patently impossible.

9 Q. For the whole of the St. Lawrence
10 River and the East Coast, apart from British Columbia,
11 let us leave out British Columbia for the time because
12 the situation is quite different there. That is coastal
13 pilotage.

14 A. Well, here again, of course,
15 I understand what you are talking about if that is the
16 point, but equalization of trips has more to it than
17 the mere statement as such. It is a rather devious
18 and complicated thing in itself.

19 Q. If you have a pilot who has
20 been absent for two weeks and then comes back. Over
21 the next two months, let us say, he succeeds in
22 catching up on the number of trips with his colleagues
23 who remained on duty all the time, this will not appear
24 on your effective pilots figure at all, would it?

25 A. No, and this is one of the
26 objections that a pilot has to the equalization of
27 trips idea. For it means --

28 Q. I thought it was one of the
29 objections that the pilots had to the effective pilot
30 idea?



1 A. No. It means if a pilot is
2 off for sickness or whatever other reason and he comes
3 back and works twice as hard as the man who has not
4 been sick, this obviously is not desirable.

5 Moreover, may I add one more
6 thing in addition to this? When he elects to take this
7 time off, ships are still coming along as they
8 customarily do, sporadically, and if a significant
9 number of pilots elected to take a good number of days
10 off on the idea of catching up a week later, this
11 would not really serve the operation so you see the
12 Department's dislike of this arrangement is well-founded,
13 I think.

14 Q. This is because you assume,
15 first of all, that the pilot will have to work twice
16 as hard and consequently he should catch up as many
17 turns as he wants to?

18 A. May I add that the pilots
19 themselves have seen the inadvisability of having this
20 total freedom to do this and this is the way they
21 think and make these -- assume this authority and
22 they have quite clearly seen it is an undesirable
23 thing to have without restraint and they have put
24 restraints on it.

25 Q. To somewhat regulate that basis
26 so that the service will not suffer and so that the
27 man would not overwork himself when he came back?

28 A. To some degree, yes.

29 Q. Within that measure there is
30 nothing wrong, is there, with the idea that the man can



1 work a little bit more for a while and catch up?

2 A. Yes, I think there is. First
3 of all -- this is a minor point. It means, for example,
4 in Montreal I think the Civil Service works -- I
5 am credibly informed, something like an hour or an
6 hour and a half a day to rearrange these equalizations
7 of trips. Now, this is a load of work which otherwise
8 would not be necessary.

9 Q. Now, you are making your stand
10 on the basis of additional work for the Civil Service?

11 A. I am merely mentioning that as
12 one of the objections. The other objection is that,
13 as I said before, if a significant number elected to
14 go off the list we would very shortly be destitute of
15 an adequate number of pilots at a crucial time perhaps.

16 Q. I submit to you what you are
17 saying is that it is not up to the pilots to determine
18 that because nowhere on the St. Lawrence River can
19 pilots go off like this without any reason, is there?

20 A. Well, this is what has happened.

21 Q. Don't you have authority under
22 the by-law to control this? Pilots going off the list
23 have to ask for permission?

24 A. These rules, I understand, are
25 made yearly by the pilots --

26 Q. These what?

27 A. These rules of catching up trips
28 and so on are made annually by the pilots in consultation
29 with the local Supervisor.

30 Q. I am sorry, there again you are



1 changing the subject. My question was in connection
2 with the statement you just made that the pilots would
3 elect, or any number of pilots would elect to go off
4 the list just as they please?

5 A. In theory, yes.

6 Q. And in effect do you not have
7 the power under the by-laws, that it is strictly
8 provided that pilots have to ask permission to go off
9 the list in all Districts?

10 A. I don't think that power in
11 fact works that way. They go off in this fashion. It
12 is certainly true that a significantly large number
13 of pilots do not go off at once, but this is theoretical-
14 ly the objection to this.

15 Q. As a matter of fact they all
16 have to ask permission from the Superintendent or the
17 Supervisor every time they go off the list, otherwise
18 they will be penalized and cut off the list and cannot
19 catch up?

20 A. The rules for catching up are
21 different in different Districts, as you know.

22 Q. Leave the catching up aside for
23 the moment. Isn't it a fact they have to ask per-
24 mission before going off the list?

25 A. Whether they do -- whether they
26 have to ask or not, I am not prepared to say. What is
27 in fact taking place is that they go off them in
28 general.

29 Q. "In general"? This is a state-
30 ment you are making?



1 A. This is right. I am not saying
2 they all go off at once obviously, but this is
3 fairly frequently.

4 Q. Let us get this again. Do you
5 mean to say that you do not know, first of all, whether
6 they have to ask permission or not?

7 A. I am aware they have to ask
8 permission.

9 Q. You know that?

10 A. Yes.

11 Q. Then your statement is that
12 they do go off list without asking permission in
13 general, you said?

14 A. In general. This is a frequent
15 operation, as I understand it, a frequent practice.

16 Q. I suppose you also understand
17 that they would do this without any penalty whatever
18 or any sanction taken against them?

19 A. The penalties here imposed
20 by the Association are different in different Districts.
21 For example --

22 Q. I submit to you you better
23 check with your Supervisor or Superintendent because
24 this is not according to the evidence we have.

25 A. For example, you will recall a
26 meeting that we had in the United Montreal Pilotage
27 Office at which time the then President, Mr. Tremblay,
28 complained bitterly about the fact that a large number
29 of pilots went off on Saturday and Sunday.

30 Q. Yes?



1 A. And I pointed out to them that
2 while perhaps it was not the best way of handling this,
3 nevertheless there was means in the Association of
4 curbing this and I understand later that means was
5 taken.

6 Q. Is it not a fact that there
7 are means provided for in the by-laws?

8 A. Yes.

9 Q. And this is the responsibility
10 of the local Pilotage Authority?

11 A. Formally, yes.

12 Q. And that they have to obtain
13 permission first from the local Supervisor?

14 A. This is a formal statement of
15 the case, yes.

16 Q. If a man goes off the list
17 with the permission of the local Supervisor, then he
18 has complied with all the by-laws and the powers are
19 not with the Association. The powers are with the
20 Pilotage Authority.

21 A. This is perfectly true. We are
22 commenting on two different aspect of the same thing.
23 You are commenting on the legal and formal aspects
24 of the case. You are perfectly right. I was commenting
25 on the practical affairs and the practical matters that
26 take place from time to time.

27 Q. I am sorry. I am also commenting
28 on the practical aspect. In practice, concretely, is
29 it not a fact that they have to ask permission or they
30 do ask permission of the local Supervisor before getting



1 off the list, otherwise they will be fined?

2 A. Well, it is my understanding
3 that this is not adhered to in that way.

4 Q. So you have known that all the
5 time and you have never cared to do anything about it?

6 A. I would not say that. First
7 of all, as I stated, in Montreal the pilots there
8 cured this by their own action.

9 Q. Congratulations to them.

10 A. I mention this to show you I
11 am speaking of the practical matter. In Quebec
12 this exact parallel has not taken place and it is
13 because of the reason it has not taken place that
14 we see a larger number of absentee rate in Quebec
15 than we do in Montreal.

16 Q. We will come to that later on.
17 This is the cause you attribute to Quebec. Keep this
18 in your mind and we will come back to it.

19 A. Yes.

20 Q. Now, go on.

21 A. Well, as I say, this is the
22 practical state of affairs. To come back to the
23 original comment, we think that this matter of catching
24 up trips and so on is not a desirable practice and has
25 many disadvantages.

26 Q. Now, you are going back to the
27 business of catching up trips. We were on the aspect
28 of going out without permission, leaving the tour-de-
29 role or list without permission. You have stated that
30 you have been aware that this rule was not abided by in



1 the Districts and your Supervisor in effect did not
2 apply the by-laws and you let it go. These people
3 would get off the list without permission and nothing
4 would be done about it?

5 A. This happens, yes.

6 Q. You never sent instructions to
7 your Supervisors in that respect?

8 A. We know that this takes place
9 and we know the measures taken by the pilots to curb
10 it.

11 Q. But my question again was you
12 never sent instructions to your Supervisors in that
13 respect?

14 A. No.

15 Q. You never reprimanded the
16 Supervisor because he had not complied with the
17 regulations strictly?

18 A. No.

19 Q. How do you know that the pilots
20 get off the list and do it without permission of the
21 Supervisor?

22 A. We understand so from comments
23 passed to us by the local people.

24 Q. Do you mean -- who is that?

25 A. It became a matter of -- I was
26 going to say "notoriety".

27 Q. You did not check directly with
28 the local Supervisor?

29 A. No. After the event we see
30 the records of absenteeism and discussing it, that is



1 what we learned.

2 Q. You are making your statement
3 on the basis of general statistics which you find at
4 the end of a year?

5 A. We certainly do not go into
6 each case for a certain area.

7 Q. My question was: You never
8 asked the local Supervisor in Montreal or in Quebec
9 whether in effect this was the practice followed, that
10 is, he would let the pilots go off the list without
11 permission?

12 A. Well, this is what we understand
13 they say takes place. They go home and they phone
14 and they say, "Look, we won't be in for a day", and
15 that is the end of that.

16 Q. But you never checked with the
17 local Supervisor?

18 A. No, not in that formal way of
19 writing about the matter and so on.

20 Q. I can raise this point of
21 absenteeism in Quebec, but maybe I had better wait
22 until we finish with the other items, My Lord. You
23 do remember, My Lord, that there was a letter from the
24 Minister which Captain Slocombe could not explain. He
25 said Captain Jones would explain it and it is related
26 to this subject generally, but I will wait. We have
27 finished the specifications.

28 THE CHAIRMAN: I am just wondering whether
29 Captain Jones would be able to give relative information
30 with regard to this subject right now without checking?



1 MR. LALONDE: Q. Can you give us
2 information concerning absenteeism in Quebec and in
3 particularly referring to a letter of the Minister to
4 Mr. Menard or Captain Rousseau?

5 A. Captain Rousseau, I think. This
6 was on the occasion of the request by the Quebec
7 pilots for additional pilots, I think four in number.
8 I am not quite sure.

9 Q. Yes.

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1 A. In reply, prior to making
2 up the reply, we analyzed the absentee rate as we
3 had done before, but we made a further analysis,
4 and to the best of my recollection, and I think my
5 recollection is reliable, it was something of the
6 order of 14 or 15%.

7 Now, we thought that this was
8 unduly high, and certainly it was very much
9 significantly higher than Montreal, which has a rate
10 of something of the order of 5%. This was discussed
11 verbally with Captain Rousseau and other members of
12 the Committee at the time.

13 At that time we made the
14 suggestion that possibly we could arrange an off-duty
15 period on the understanding that such off-duty period
16 would have the effect of curbing this desultory leave-
17 taking, and the pilots disliked this, and we didn't
18 pursue it any further.

19 Q. Since you are on the subject
20 now, would you look at the letter signed by the
21 Minister --

22 A. Yes.

23 Q. Of June 10, 1963, to Captain
24 Gaston Rousseau in Quebec, in connection with
25 absenteeism in the District of Quebec, Exhibit No. 705,
26 and we will see what absenteeism has had to do with
27 the tour-de-role or catching up turns.

28 Now, you referred to the first --
29 we can refer to names here -- to Mr. Fournier, and
30 you state that the state of his health does not allow



1 him to take back his work and he should be retired?

2 A. Yes.

3 Q. Now, he had been absent for
4 over two years then?

5 A. Yes. May I add that this man
6 had some knee injury of some sort and it was thought
7 at the beginning of this injury that it might not
8 have been a very protracted matter, so he was left
9 along on that basis.

10 Q. In this case it was not very
11 much a problem of catching up turns?

12 A. No, not at all. We merely
13 mentioned he was one of the ones that served to
14 build the total up.

15 Q. And Mr. Morisset, he has been
16 absent 116 days in 1962 and no satisfactory explanation
17 has been given to motivate these absences?

18 A. May I just revert for a moment
19 to Fournier? We thought, as you see here, we thought
20 this man, something definitive should be decided upon
21 here for this man, in fact, was being kept off the
22 role for no good purpose, and surely it ought to have
23 been established whether he was ever going to be a
24 pilot, and it turned out later that he never was, and
25 we later cancelled his licence.

26 With Mr. Morisset, Fortunat
27 Morisset -- I scarcely think he was very fortunate.
28 This gentleman for many, many years, he was absent for
29 many protracted periods of time, and we might as well
30 be quite frank. I think we all know what was the basis



1 of all this, but however, on one occasion this
2 gentleman, his licence was cancelled and then it was
3 reinstated, and since that time he has now been
4 cancelled, we assume for good, but one can never
5 tell.

6 Q. You say no satisfactory explana-
7 tion was given for these absences. Isn't it a fact
8 your Department had medical certificates from your own
9 doctors in the Department of National Health in this
10 case?

11 A. In some of the instances, yes,
12 but we personally and the Superintendent and you
13 people, we all knew what was the basis of this.

14 Q. I would suggest that you do not
15 insert me or us in your answers. You can't answer for
16 what we think.

17 A. I think we can be quite frank.
18 This was troubling us, and we felt that really something
19 should be done about Morisset.

20 Q. But there again you said you
21 had some medical certificates and in other instances
22 you didn't have?

23 A. I think so. I am not sure.

24 Q. You limited yourself to
25 complain that no satisfactory explanation of these
26 absences had been given?

27 A. Yes, for the reasons I have
28 said.

29 Q. Mr. J. Brochu, he has been
30 absent 120 days in 1962; no satisfactory explanation



1 has been given to motivate these absences?

2 A. Yes, and the comment made
3 earlier was why this man was on suspension, but as
4 I mentioned at the time the suspension was at a
5 later date than the date of this letter. At that time
6 this is prior to the two accidents.

7 Q. All right. You said he had
8 been absent 120 days before he had an accident?

9 A. When I say 120 -- if this is
10 what it says --

11 Q. I presume there was no medical
12 certificate on the file?

13 A. I am not sure about that, but
14 I know this, that he was under some private physician,
15 I think. There was some medical observation.

16 Q. But here the Department takes
17 the view that no satisfactory explanation has been
18 given?

19 A. Because basically the state of
20 affairs was the same really with this gentleman as
21 with the prior gentleman, Morisset.

22 Q. And although the Pilotage
23 Authority itself found no satisfactory explanation was
24 given, it didn't see fit to take any measure?

25 A. Well, to see fit to take a
26 measure and to be able to take it is sometimes two
27 different things.

28 Q. But here you took a particular
29 stand that no satisfactory explanation has been given?

30 A. Yes, that is what we felt, that



1 the explanation was not a satisfactory one.

2 Q. The conclusion of this was to
3 penalize the rest of the pilots in refusing to
4 increase their number because these men were off the
5 list without satisfactory explanation?

6 A. What we said was that if these,
7 what we regarded as inordinately high absentee rates,
8 was cut down, the need for more pilots would be
9 pro rata diminished.

10 Q. Could you tell me what the
11 pilots could do to bring either Mr. Morisset or
12 Mr. Brochu or Mr. Fournier for all that back to work?

13 A. Well, they are at least in the
14 locality, which is more than we are, and they are
15 fraternally close to these people, and possibly can
16 exercise some more suasion than we can.

17 Q. You relied here on moral suasion?

18 A. Yes, something like that.

19 Q. Mr. Andrew Bernier, you say he
20 has been absent in 1962 for 69 days?

21 A. Yes.

22 Q. There again no satisfactory
23 explanation has been given to motivate his absence.
24 Now, do you know whether or not medical certificates
25 had been produced in that case?

26 A. For the moment, sir, I am trying
27 to recall --

28 Q. Well, I will give you the
29 explanation which is given here in the answer by
30 Captain Rousseau. That is, he had been absent after



1 having broken a leg on November 22, 1962 at
2 Escoumains when he was coming back from his work and
3 had to be hospitalized for a long period, and has
4 remained totally incapacitated for about six months.
5 Mr. Bernier has just taken back his work and regularly
6 pilots.

7 Do you remember that case?

8 A. Vaguely, I am afraid. I don't
9 remember it as well as I remember the previous.

10 Q. But could we conclude from this
11 that you had no explanation whatever in Ottawa as to
12 the reasons for his absence?

13 A. Well, we certainly were not aware
14 when this letter was drafted that the man's leg was
15 broken. If he was --

16 Q. Is it fair to assume you didn't
17 care to check with the local Supervisor in Quebec?

18 A. I think this should have been
19 done and would have been done, I presume, by the author
20 or the draftee -- the drafter of that letter.

21 Q. But you don't know?

22 A. No, I don't know for sure.

23 Q. And you didn't call yourself?

24 A. No.

25 Q. This letter passed on your
26 desk?

27 A. Yes, it passed over my desk.

28 Q. And you are the Superintendent
29 of Pilotage?

30 A. Yes.



1 Q. Isn't it a fact that the local
2 Supervisor in Quebec should have known at least?

3 A. We hope so.

4 Q. Now, the other three cases still
5 have the usual answer of "no satisfactory explanation
6 has been given to motivate these absences"?

7 A. Yes.

8 Q. Do you know whether a check
9 was made to find out whether you had medical certifi-
10 cates in your files in Quebec about these three
11 gentlemen?

12 A. We certainly would look in
13 our own files.

14 Q. In Ottawa?

15 A. Yes, when this letter was
16 written.

17 Q. I see.

18 A. But the same comment is passed
19 about each one of these that there is no satisfactory
20 evidence on file, and here "satisfactory" really means
21 credible, not formally credible, but in a rational,
22 reasonable sense. For example, this last one --

23 Q. Well, when you --

24 MR. JACQUES: I wish you would answer.

25 THE WITNESS: This last one, for example,
26 without mentioning any names, is one which is familiar
27 to all of us as a pilot who occasionally does not
28 behave as well as others, and here again the very name
29 immediately brings to mind of any person, not merely
30 a suspicious one, the cause of the absence.



1 Q. Yes. Okay. Now, you knew this
2 in Ottawa, and you say you checked in your file in
3 Ottawa, and probably did not find medical certificates?

4 A. May I add, sir, we may have
5 found medical certificates, which, while they were
6 formally supplying quittance, in fact weren't too
7 impressive in any reasonable sense.

8 Q. You are referring to the last
9 case? I don't suppose you would doubt the previous
10 two names?

11 A. No, the others I am not aware
12 of, and consequently I can't pass comment.

13 Q. Is it a rule that you get all
14 the medical certificates sent to Ottawa as soon as
15 they are received by the local Supervisor?

16 A. They do customarily come, yes.

17 Q. Isn't it a fact that in some
18 instances they may not come?

19 A. They may not, and I would like
20 to add they don't come to us direct. We frequently get
21 these through the Department of National Health, and
22 for that reason they don't immediately come. Sometimes
23 some significant delay.

24 Q. In the last case you might have
25 had medical certificates on which you did not rely too
26 much?

27 A. Well --

28 Q. But isn't it a fact you had the
29 provisions in the by-laws or in the Act -- I don't
30 remember -- which provide for examination before doctors



1 of the Department of National Health?

2 A. Yes, we have.

3 Q. You did not see fit to use
4 these provisions?

5 A. We do occasionally, and mostly
6 especially if we have some doubts about the matter,
7 but I can't say in any given one case whether we did
8 so or not.

9 Q. But the answer you have just
10 given would tend or would lead us to believe in this
11 last case, although you did not rely too much on the
12 medical certificates concerned, you didn't care to do
13 anything as far as medical certificates by your
14 own doctors?

15 A. No, I don't think in that last
16 case we did do so, no.

17 Q. You don't think you did?

18 A. No.

19 Q. Is it not fair to assume that
20 in effect when this letter was drafted no check was
21 made locally as to what the actual situation was
22 concerning these seven men?

23 A. I wouldn't like to agree with
24 that without checking with the person who drafted
25 the letter.

26 Q. You may check. Do you know
27 who drafted this letter -- well, I had better not ask
28 that question.

29 A. Yes, I know who drafted it.

30 Q. Now, in this letter you have



1 seven cases of pretty lengthy absences. Some of them
2 for very obvious reasons, medical certificates or
3 accidents or things like that, and you still maintain
4 that the main reason for the absences, for instance
5 in the Quebec District for that year, would have been
6 the practice of catching up turns?

7 A. The reason for the absences?

8 Q. Yes, that is what you said
9 before.

10 A. The reason for absences is
11 catching up turns?

12 Q. Yes, the possibility of catching--

13 A. They indulged in the practice
14 of going off because they know they can catch up?
15 That is what is meant?

16 Q. Yes.

17 A. Well, I didn't say it is the
18 main reason, but it is a factor. It must be a factor,
19 but the objection was not that. The objection was
20 we don't like pilots being absent when the requirements
21 of shipping need their presence.

22 Q. Do you know any peak periods
23 in the District of Quebec where there has been a lack
24 of pilots to serve ships or even in slack periods for
25 all that?

26 A. Not to my knowledge.

27 Q. Not to your knowledge?

28 A. No, there never have been.

29 MR. JACQUES: You have always had an
30 adequate number of pilots?



1 THE WITNESS: Always, yes, to my
2 knowledge, and I think my knowledge is reliable in
3 this.

4 MR. LALONDE: Q. You always have
5 pilots to do the job when the ships came --

6 A. They always became available
7 to meet the surge of shipping.

8 Q. I understand there is argument
9 whether there was an adequate number or not?

10 A. Yes.

11 COMMISSIONER SMITH: On that point my
12 recollection is that pilots in Quebec asked for three
13 or four more additional pilots, the recommendation
14 was concurred in by the Supervisor and sent to Ottawa
15 and was turned down?

16 THE WITNESS: Yes, that is right, and it
17 was turned down, denied for quite a considerable time.
18 Later, and I think my memory is reliable on this point,
19 we agreed to -- the Minister agreed to put two more
20 pilots on, and they were so put on nearly a year ago
21 now. About a year ago.

22 MR. LALONDE: Q. Yes. I am instructed
23 that those two additional pilots were appointed in
24 June of this year, 1964?

25 A. Oh, well, I am sorry when I
26 said a year ago. It is not that long ago. It is only
27 a few months ago.

28 Q. And the reasons why you did not
29 support the recommendation from your local Supervisor
30 are really set out in the letter of the Minister of



1 June 10th, 1963?

2 A. Not only that, sir. For in
3 addition the traffic count showed, I think it was a
4 slight decrease on one particular reference date. But
5 in any event it certainly was -- there was no
6 significant increase, and that was also a factor
7 taken into account when this decision was made.

8 Q. Although it is not referred to
9 in the letter of the Minister here?

10 A. Well, I can't recall that
11 possibly, for that discussion went on for some
12 considerable time. In fact more than a year, and at
13 one stage that comment was made in reply to a request
14 by the pilots, pointing out that our count of traffic
15 showed very, very slight decrease.

16 Q. For what reason did you grant
17 two more pilots in June of this year?

18 A. In the meantime there did arise
19 a surge of traffic. Towards the latter part of last
20 year it was quite evident that traffic figures were
21 mounting, were increasing.

22 Q. Yes?

23 A. And this prompted the change --
24 well, as far as I am able to say what prompted other
25 people's decisions--but it seems reasonable to say
26 this was the basis on what that changed decision was
27 based.

28 Q. Is it not fair to state that
29 even by last August it was quite obvious there would
30 be a strong upsurge of traffic in the fall due to the



1 Russian wheat sale?

2 A. Well, hindsight, of course, is
3 better than foresight. Now we can say this, but at
4 the time -- it is a more difficult matter.

5 Q. You mean to say officials of
6 the Department of Transport in the month of August
7 last year could not forecast that there would be a
8 great upsurge of traffic in the fall? You would not
9 dare risk yourself to forecast that?

10 A. I may point out these discussions
11 with the Quebec pilots commenced long before last
12 August, but certainly went on past last August,
13 and by that time our attitude was changing in
14 recognition of the changing conditions.

15 Q. Although your attitude changed,
16 it took until June of this year to put it into effect?

17 A. This is the time of the
18 examination. The decision antedated that by many
19 weeks, I am sure, if not some couple of months.

20 Q. But in effect the pilots were
21 appointed in June of this year?

22 A. That is right.

23 Q. I stated August. As a matter
24 of fact, if you remember well, the Russian wheat sale
25 was announced before August. I think it was some time
26 in June, and in July when there was the Longshoremen's
27 strike in Montreal, the Russian wheat sale had been
28 announced then I am sure.

29 A. Yes, but as you will realize,
30 to endeavour to forecast what is going to happen is a



1 problem fraught with many difficulties. For example,
2 at the present time with the cessation of or
3 termination of the Russian contract we might well
4 turn around and say, while traffic is now high it
5 is very shortly going to be very much diminished,
6 and therefore rule the request out. So you see it
7 works both ways.

8 Q. What foresight, what forecast
9 do you have now?

10 A. Well, I do not know that I am
11 the appropriate person to ask that question for I do
12 not as myself pass comment on the future economic
13 activity or estimate of it.

14 Q. Is it not fair to state that
15 for last year as well as this year you yourself as
16 Superintendent of Pilots did not have in hand to make
17 a recommendation a forecast of shipping in the year
18 to come or future months?

19 A. Well, this is a very difficult
20 matter which I alone may not be able to add too much
21 to. I mean, in the economic section of the Department
22 there are others who can pass comment on this. And
23 here again --- ✓

24 Q. I can understand that, yes.

25 A. So I do not take too prominent
26 a part in that.

27 Q. My only question is, when you
28 received the recommendation for instance from Quebec
29 from the local Supervisor saying you should have four
30 more pilots in that District, and the pilots were asking



1 for four more pilots in that District, surely before
2 you would say no to such a recommendation you would
3 look at what you did, I think -- work load in the
4 District and that type of thing?

5 A. Yes.

6 Q. My question is, did you in fact
7 look at whatever forecasts were available of the
8 trend of shipping in 1963 and 1964?

9 A. Well, I can assure you that
10 these factors are taken account of.

11 Q. But not by you?

12 A. Not necessarily by me, no, by
13 other officials.

14 Q. On a higher level?

15 A. On a higher level, yes.

16 Q. I see, so your recommendation,
17 when you would make it, would not take these factors
18 into consideration?

19 A. If it were very, very blatantly
20 clear I might mention that it is well known that so and
21 so and so on, but I would not proceed from that along
22 that line.

23 Q. I see, so you would make your
24 own recommendation on the basis of whatever you had
25 available in the pilotage section itself?

26 A. And only from me myself, with a
27 very modest comment on such imponderables as future
28 activity, yes.

29 Q. And your decision would pretty
30 well be based on information such as the one contained



1 in the letter of the Minister of June 10th, 1963?

2 A. And information on which that
3 itself was based.

4 Q. But you never checked yourself
5 whether the person who had the right to give this
6 information had checked with the local Supervisor?

7 A. As I said earlier, I would have
8 to check to find out now. I cannot recall and I would
9 be only guessing if I said yes or no.

10 Q. And yourself, you did not
11 check yourself with the local Supervisor?

12 A. No, I do not recall having
13 done so and I think I would have recalled if I had.

14 Q. In effect is it not true that
15 you are even now facing the necessity of increasing
16 the number of pilots in the Quebec District?

17 A. We are considering a request
18 of the pilots to increase the number, yes.

19 THE CHAIRMAN: We will adjourn now for
20 a few minutes.

21 ---SHORT RECESS.

22 MR. LALONDE: Q. Captain Jones, one last
23 question in connection with Exhibit 705. I think when
24 you referred to pilot number 2 on this list you said
25 that you were all aware of the reasons for the absence
26 of that pilot?

27 A. Yes, I said that.

28 Q. Is the reason that you were
29 aware of sickness?

30 A. Yes, sickness in its broadest



1 aspect and proper interpretation of the word.

2 Q. Is it not a fact that you had
3 regular medical certificates from the Department of
4 National Health and Welfare?

5 A. We had a number of such
6 certificates, yes.

7 Q. Were these medical certificates
8 according to your views of what the reasons for the
9 absence were?

10 A. My personal views or the
11 Department's views?

12 Q. Of your Department, I would
13 say.

14 A. Yes, but not perhaps in a
15 basic sense. There was an underlying instability of
16 character, shall we say, and psychological troubles
17 underlying the same illness that was reported.

18 Q. Do I understand you to say that
19 you were not quite in agreement with the certificates
20 given by the Department of National Health?

21 A. Well, in that sense we feel that
22 they do not really get to the meat of the problem, you
23 know.

24 Q. I see. Did you ever do anything
25 in that connection as regards the Department of National
26 Health?

27 A. I have personally spoken to a
28 number of the officers about individual instances like
29 this and commented generally about them, but as
30 professional men they make their report and that is that.



1 CROSS-EXAMINATION BY MR. BRISSET:

2 Q. Captain Jones, I was left under
3 the impression during the course of your evidence
4 before the adjournment that in the St. Lawrence River
5 Districts the policing of absences was more or less
6 left to the corporations of pilots; is that correct?
7 By "policing" I also include taking remedial steps.

8 A. As a practical statement this
9 is entirely my view. Normally the local Superintendent
10 has the power, as Maitre Lalonde pointed out a little
11 earlier. However, these arrangements that are made,
12 the pilots are very active -- understandably active
13 in them. They make certain rules and I understand they
14 discuss these with the local Superintendent. I also
15 understand that they are pretty well ironed out even
16 before that. However, he has the theoretical power
17 to say no or yes and they are put in. This takes
18 place from time to time as it is found desirable to
19 place these rules governing the day to day operation
20 of pilots.

21 Q. In other words, if it was not
22 the official delegation of authority it was at least
23 a de facto delegation of authority?

24 A. Yes. For example, may I again
25 mention as a clear instance of this, in Montreal when
26 the Committee representing the pilots felt that this
27 matter was being abused by a number of their members,
28 they brought in remedial steps and some of these remedial
29 steps were purely personal and not related to the
30 pilotage function. I refer to monetary penalties they



1 imposed on their members -- which here again was an
2 exercise of authority over their members. It did have
3 a salutary effect and the subsequent absentee rate
4 showed a considerable improvement. It was post hoc ergo
5 propter hoc. It was after it and it was because of it.

6 Q. Now, Captain, we have been
7 speaking of what was to be understood by the expression
8 "effective pilots" and the need at times to add to the
9 pilot roster in any particular District. In this
10 connection I would like to refer you to Exhibit 644,
11 which is a statement showing the number of days'
12 absence in the Quebec District in each year 1960, 1961
13 and 1962. Restricting myself solely to the year
14 1962, in the light of the request of the pilots for
15 additional pilots in the District, I have calculated that
16 the total number of days of absences during that year
17 was 3,084 days. Would you accept my figure?

18 A. I see the addition here and I
19 am sure that it is quite accurate. I have not checked
20 it.

21 Q. Assuming that you have a season
22 of 300 days, say, in the District of Quebec, which
23 would be about accurate, is it not a fact that 3,084 days
24 would represent ten pilots being absent the whole year?

25 A. The arithmetic is irrefutable.

26 Q. Would it not be possible that
27 one of your reasons for refusing to add to the number
28 of pilots in that District at that time, 1962 and 1963,
29 was the fact that your Department considered that this
30 number of absences was not justified and could be



1 remedied without having to add pilots to the roster?

2 A. Well, I thought I had made much
3 that comment earlier. We mentioned this and in addition
4 to that there was the fact that at a certain time --
5 and this was mentioned expressly in one letter -- the
6 comparative traffic figures showed no increase whatsoever,
7 For that reason at that time it was decided not to
8 accede to the request. Later on, of course, the
9 picture changed.

10 Q. I believe you have mentioned
11 that at some time the pilots had requested your
12 Department to allow them a certain period of leave or
13 absence; I am not quite sure whether it is 10 days or
14 13 days a year?

15 A. Yes, there was a comment to
16 that effect. I may stand corrected here, but I thought
17 this was Montreal. I may be wrong.

18 Q. Was there a similar request made
19 for the District of Quebec?

20 A. I would have to check it. I do
21 not recall it, but I will not be dogmatic on this.

22 Q. For the District of Montreal I
23 did not catch the figure you mentioned. Was it 10 days
24 or 13 days?

25 A. Excuse me, sir, I think we are
26 talking about two slightly different matters. In
27 Montreal they had arranged amongst themselves what one
28 might call a sort of off-watch period. They go off duty
29 with our cognizance, the Minister's cognizance, and
30 thereby we think that this is a perfectly reasonable



1 arrangement and we think it has a beneficial effect
2 on the desultory absences that might otherwise occur.

3 In Quebec we suggested to the
4 pilots we do the same thing there.

5 Q. May I interrupt you? Perhaps
6 I should have mentioned to you that this was in
7 connection with the calculation of the number of
8 effective pilots.

9 A. Yes, sir. Well, that is why
10 I said we were talking about two different things. With
11 respect to the calculation of the number of effective
12 pilots, ten days was allowed in all of the River
13 Districts, under which, if the number of days' absence
14 of a given pilot were less than 10 days we would account
15 him a full pilot as though he had never been absent.
16 This was the same in all of those Districts.

17 Q. Has that been done in your
18 calculations in the statements which were before us
19 to calculate the number of effective pilots in Quebec?

20 A. Yes, sir, this is the basis,
21 although we have a directive to the contrary now. We
22 have maintained that for purposes of comparison over
23 a number of years back. That is correct, we have
24 retained this basis pro tempore.

25 Q. In other words, if I may now
26 go to Exhibit 1307, when for the year 1962 you state
27 that the number of effective pilots is 69.55, that
28 includes the allowance of 10 days per pilot?

29 A. Yes, sir. This is the result
30 of that arithmetic.



1 MR. LALONDE: For clarification on this
2 point, I suppose this means that any amount below 10
3 days will not be counted?

4 THE WITNESS: Yes, sir.

5 MR. LALONDE: It does not mean you have
6 to count ten days for all pilots?

7 THE WITNESS: Oh, no.

8 MR. BRISSET: Q. So in all cases where
9 a pilot was absent for less than 10 days, then you
10 would not count the number of days he was absent for
11 the purpose of your figure of effective pilots? If
12 he was absent for more than 10 days then you would
13 count the excess over 10 days?

14 A. That is right, sir.

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1 Q. Now, would you look again at
2 Exhibit 644 and confirm to me that in all cases, except
3 a very few exceptions, I think you can count them on
4 your fingers, the absences were in excess of ten days
5 in the District in that year?

6 A. Yes, sir. This is a statement
7 showing the number of days absent of pilots of the
8 Quebec District. It is listed alphabetically -- their
9 names are listed alphabetically for the three years
10 with the number of days absent indicated for each
11 year against each man.

12 MR. LALONDE: It includes a stoppage of
13 work of 9 or 10 or 12 days which is added for everyone?

14 MR. JACQUES: Nine days. There are two
15 pilots with only 9 days of absence.

16 MR. LALONDE: That would be the stoppage
17 of work. We have had evidence of that in 1962.

18 THE WITNESS: In 1962?

19 MR. JACQUES: Yes.

20 THE WITNESS: Yes, in 1963 -- 61 or 60 --

21 MR. LALONDE: Everybody was granted 9
22 days holiday?

23 THE WITNESS: Yes, there was one here
24 9 days and that is all I see. Eleven days, yes.

25 MR. BRISSET: Q. Now, in the light of
26 what we have just stated and taking into account there
27 were just 77 pilots on strength at the end of the year,
28 there are variations, I admit, during the year, you
29 have not taken into account in arriving at 69.55 the
30 value of approximately $2\frac{1}{2}$ pilots?



1 A. This is 9 days multiplied by

2 77 --

3 Q. Ten days multiplied by 77?

4 A. Yes.

5 Q. And the same principle was
6 followed, I take it, in the District of Montreal and
7 the Harbour of Montreal area also?

8 A. Yes.

9 -----

10 RE-DIRECT EXAMINATION BY MR. JACQUES:

11 Q. With respect to accidents, would
12 you read section 22 of the Quebec by-law, please?
13 Section 22 contains five sub-sections.

14 A. Yes. The section is headed by
15 the caption "Leave of Absence".

16 Q. Do not read it into the record,
17 but would you read it, please?

18 A. Yes. I have read it.

19 Q. So the only instance where a
20 local Supervisor can request a medical certificate is,
21 I take it, when the sick leave exceeds six succeeding
22 days; so if it is less than six days the pilot does
23 not have to supply a medical certificate to the local
24 Superintendent?

25 A. Yes, sir. Well, what is inferred
26 is that this smaller period could be abused and without
27 very effective check. The inference is a reasonable
28 one, I think.

29 Q. For less than six days your
30 local Supervisor more or less has to accept the pilot's



1 statement he is not well?

2 A. In point of fact this, I under-
3 stand, is what happens. A pilot phones up and say he
4 is sick and it is accepted as a bona fide statement.

5 Q. Sick leave exceeding six
6 consecutive days there has to be a medical certificate
7 which can be checked through a doctor chosen by the
8 local Supervisor?

9 A. Yes, sir.

10 Q. If it is sick leave less than
11 six days --

12 THE CHAIRMAN: Is that mandatory?

13 MR. JACQUES: Yes, My Lord.

14 Q. If sick leave does not exceed
15 six days the pilot may be required to submit a medical
16 certificate if it appears to the Supervisor that the
17 circumstances of the case require it?

18 A. Yes.

19 THE CHAIRMAN: It is at the discretion
20 of the Supervisor?

21 MR. JACQUES: Q. I believe you said as
22 a matter of practice that the Supervisor accepted the
23 pilot's statement?

24 A. Very largely. This is what I
25 understand to be the case.

26 Q. I know when the pilot phones up
27 and says: "I'm sorry. I have got a very, very bad cold.
28 I am in bed"; the Supervisor will not require them
29 to produce a medical certificate if he is going to be
30 sick for a day or two?



1 A. Yes, sir.

2 Q. That has been the practice?

3 A. That has been the practice.

4 Q. To the best of your knowledge?

5 A. To the best of my knowledge.

6 THE CHAIRMAN: I think this provision is
7 covered by the by-laws.

8 THE WITNESS: Yes. We have a provision of
9 the same sort, I am not quite sure the numbers of the
10 days is the same in each District. I would have to
11 check that. It is essentially the same by-law.

12 MR. JACQUES: Q. Would you compare the
13 days of absence as stated for pilots mentioned in the
14 letter of 10th June, 1963, Exhibit 75, with the list
15 contained in Exhibit 644? The first one does not
16 specify any number of days in the letter but --

17 A. The list here shows Mr. C. B.
18 Fournier as being absent in 1962 for 275 days. This is
19 the entire season, it appears.

20 Q. The previous year he was absent
21 277 days and in 1960 275?

22 A. Yes, sir. This gentleman I
23 referred to earlier had an injury to his knee and it
24 was very questionable whether he should not have been --
25 his licence cancelled. This was done ultimately later.

26 Q. The second one, the letter states
27 that he had been absent for 116 days?

28 A. Yes, sir. The list shows against
29 Mr. Fortunat Morisset 116 days of absence in 1962 and
30 may I suggest, sir --



1 Q. Yes?

2 A. This 116 days refers to -- no,
3 I will retract that statement.

4 Q. The third one is shown in the
5 letter as being absent 120 days?

6 A. Mr. Jacques Brochu here we have
7 listed 81 days.

8 Q. Can you account for the
9 discrepancy between the figure set out in Exhibit 644
10 and in the letter of 10th June, 1963?

11 A. No, sir, but I observe that the
12 statement is not dated and it is conceivable this
13 statement was made up some significant time prior to
14 the date of the letter and therefore the 81 days was
15 then carried on. I would have to look this up.

16 Q. Would you look it up?

17 A. Yes, sir.

18 Q. The fourth one is shown in the
19 letter as being absent 69 days?

20 A. This is Mr. Bernier, Andrew
21 Bernier, 91 days is listed in this Exhibit.

22 Q. Exhibit 644?

23 A. Yes, sir.

24 Q. If this one is stated as being
25 absent 94 days?

26 A. This is Mr. Bouffard, David
27 Bouffard and it is listed here as 94 days absence in
28 1962.

29 Q. The sixth one is listed as
30 being absent 151 days in the letter?



1 A. Yes, sir. And this same figure
2 is repeated against Mr. Andre Lachance, 151 days absence
3 in 1962.

4 Q. And finally the last one is
5 stated as being absent 63 days?

6 A. Yes, sir, against Mr. Yves Pouliot
7 is listed 63 days absence in 1962. The list carries
8 out -- suspended October 4th.

9 Q. That was 1961?

10 A. Yes, sir. Before a preliminary
11 inquiry. This is 1961 also.

12 Q. This letter of 10th June, 1963
13 in listing or mentioning certain names -- does it give
14 the full picture of absenteeism in Quebec?

15 A. No, sir. It was intended to
16 point out that included in the high -- what was regarded
17 by the Department as high absenteeism rate there were
18 six individual items which in themselves indicated a
19 disproportionate amount of absence.

20 Q. Now, sir, I refer you to
21 Exhibits 1298 and 1300 entitled "Summary of pilots'
22 time on assignment for 1962" and for 1963. Did you
23 prepare these documents?

24 A. These documents were prepared
25 in the Pilotage Section, yes.

26 Q. Time on assignment, am I right
27 in assuming that is time from the time boarded to the
28 time leaving a ship?

29 A. In the Quebec District it is,
30 but there are Districts where this statement has to be



1 qualified. For example, at Lock 1, St. Lambert, in
2 the Cornwall District, where money is being paid, the
3 shipping industry pays for a pilot waiting, such
4 waiting time, which is being paid although the pilot
5 is not on board ship, is also tabulated. In other
6 words, it is really the time on assignment or earning
7 money, from which money is derived.

8 Q. From which money is derived?

9 A. Yes.

10 Q. Whether through detention or
11 otherwise?

12 A. Yes. For example, another
13 incident is in British Columbia. A pilot may well be
14 in such a port as Kitimat and there for some
15 considerable time but not on board ship but waiting.
16 Such waiting time is paid for and when it is paid for
17 it is listed in this time here. In other words the
18 statement covers times from which revenue in one form
19 or another is derived or accrued.

20 Q. So in some Districts where there
21 is no payment for the first hour of detention --

22 A. I am sorry?

23 Q. Would the first hour be included?

24 A. Yes, sir, because although
25 money -- this is merely the mode in which it is paid. He
26 is on board ship and that hour serves to build up
27 overtime, so it is included, but the point I did want
28 to make clear, the time is included here when such time
29 is subject to earning money.

30 Q. It would not include the time,



1 for instance, that the pilot takes to travel from
2 Quebec to Escoumains and the waiting time at Escoumains?

3 A. No, sir. It includes nothing
4 of that sort.

5 Q. You referred again to effective
6 pilots in these two documents. Now, the effective
7 pilots to which you refer are which ones; the
8 calculations allowing each pilot ten days?

9 A. Yes, sir.

10 Q. That is the revised --

11 A. The ten days listed in the St.
12 Lawrence District is the rule. That same rule does not
13 apply in the other Districts.

14 Q. In the Quebec District in
15 1962, according to that document, you had 69.55
16 effective pilots?

17 A. Yes, sir.

18 Q. In 1963 you had 69.1?

19 A. Yes.

20 Q. The hours per effective pilot,
21 I take it, are a division of the total number of hours
22 for the District by the number of effective pilots?

23 A. That is right, sir.

24 Q. In 1962 it is shown that the
25 hours per effective pilot for the District of Quebec
26 were 1,224.4?

27 A. Yes, sir.

28 Q. And for 1963, what is it?

29 A. It is 1,238.9.

30 Q. And that would represent an



1 increase of how many hours?

2 A. 14.5 hours.

3 Q. Now, are you familiar with the
4 median length of trip between Quebec and Escoumains?

5 A. Very approximately. It varies,
6 of course, with the speed of the ship and the state of
7 the weather and so on, visibility.

8 Q. Would 14 hours be a good guess?

9 A. Yes, or somewhat less. I have
10 not made statistical computations of it of late, but
11 offhand I would say it was somewhat less than 14 hours.

12 Q. So, from 1962 to 1963 the
13 time on assignment increased by one trip for each
14 pilot, according to your figures?

15 A. Yes, sir. It follows from the
16 fact that there were 14.5 hours additional. That is
17 very approximately a trip.

18 Q. There is a very slight decrease
19 in the number of pilots, the number of effective
20 pilots. There is a .4 decrease?

21 A. Yes.

22 MR. JACQUES: Thank you.

23 -----

24 CROSS-EXAMINATION BY MR. LALONDE:

25 Q. I would like to go back to this
26 question of effective pilots and you explained you
27 allowed 10 days on the St. Lawrence River. Can you
28 explain to me what basis you followed for British
29 Columbia because I must say I am looking at the total
30 pilots on strength as 66 and the effective pilots as



1 64.885. I submit to you you would have great difficulty
2 in believing that only one pilot with sickness and
3 all kinds of reasons was absent during the year?

4 A. I should perhaps explain that
5 the British Columbia pilots have a two months' period
6 off duty. We speak loosely of leave, but I think it is
7 quite a misnomer, if I may say so in passing, and in
8 addition for the remaining ten months of the year they
9 work -- they are available and on call or are working
10 some 24, possibly 23 or 24 days in the month.

11 They have undertaken to see
12 to it that on this basis, if there is a spate of
13 shipping that they will be willing to go back, but
14 in actual fact I don't think this has been used, this
15 recall, and so this means that they have 10 months of
16 24 days which is 240 days and six days off for those
17 10 months and then two months' leave.

18 THE CHAIRMAN: Making a total of 120
19 days?

20 THE WITNESS: Yes.

21 THE CHAIRMAN: One month official leave,
22 one month unofficial leave and a six days per month
23 unofficial leave, making a total of 120 days?

24 THE WITNESS: Yes, sir.

25 THE CHAIRMAN: And they work, of course,
26 Sundays and Saturdays?

27 THE WITNESS: Yes.

28 THE CHAIRMAN: I think from the evidence
29 we have with regard to sickness or illness, they have an
30 insurance policy so therefore whenever they are ill, they



1 have to put a claim on the insurance so maybe this can
2 be a check against abuses.

3 MR. LALONDE: Q. But then I understand
4 that these 120 days off are not counted for the purpose
5 of effective pilots, but let us say while in Quebec
6 District you allot ten days without including it in
7 the season, you would on the same basis allot 120
8 days in B.C. before counting effective pilots. Is
9 that the way it is done?

10 A. Yes. May I mention here if
11 you do this the other way and count a pilot only
12 available on just solely those days on which he is
13 available, you have the anomalous result in B.C. that,
14 for example, one full-time pilot would then only be
15 working one-third of the year -- two-thirds of the
16 year, I'm sorry. He would be absent one-third.

17 Now this in effect would then
18 produce a figure of some \$30,000.00 as the rate of
19 earning of a pilot in B.C. as against what actually
20 takes place, of a gross of \$20,000.00. This in turn
21 would mean you would have a figure that would not be
22 very useful, for after all the whole purpose of keeping
23 track of these is to have some gauge and therefore it
24 may logically be objected to -- it is understandable
25 we make these allowances and we count a pilot on leave
26 as though he was performing a full pilot's assignment.

27 Q. I think you have put it very
28 well, that the whole basis of effective pilots for
29 calculating earnings is a very shaky one.
30



1 A. I didn't say that, or I hope
2 I didn't. Personally I think it is eminently
3 reasonable, and moreover it enables the Department,
4 senior officials of the Department, to gauge both
5 the trend and the reasonableness of the absolute level.

6 Q. That is the way you do it? With
7 the result you have, for instance, ten allowances in
8 the St. Lawrence River, probably no days allotted on
9 the East Coast, and 120 days allotted on the West Coast?

10 A. I think this is much fairer
11 than your suggestion infers.

12 Q. My question does not infer
13 whether it is fair or not. My question is whether this
14 is what occurs; no allocation on the East Coast, 10
15 days on the St. Lawrence River and 120 days in B.C.?

16 A. No, sir, this is not how it
17 works out. For example, in B.C. they have those two
18 months off and these six days, but in the River we
19 have the winter season, some three or four months,
20 which compares reasonably favourably with B.C.

21 Q. In the Quebec District?

22 A. Yes. When I said three months
23 I was referring --

24 Q. They don't work in the wintertime?

25 A. They do.

26 Q. You don't count the number of
27 of trips done in the year?

28 A. Yes. If we count the number of
29 trips we find in general this adds rather insignifi-
30 cantly to the total.



1 Q. On that basis, effective pilots
2 -- since you are taking into account a certain number
3 of months, do you take off time spent aboard ship
4 during the winter and allot it against time off the
5 list during the summer?

6 A. No. You will recall when I
7 mentioned in my letter of explanation to the pilots,
8 that the winter total, although it was relatively small,
9 the easiest way and a reasonable way the Department
10 thinks was to put those figures into summer figures,
11 and it produced a figure of something of the order of
12 0.2 of an hour per day, and we felt this was really
13 not significant.

14 Q. When did you do that?

15 A. That happened some little while
16 ago. I wrote to all the pilots to explain further
17 this matter of effective pilots to them.

18 Q. Yes?

19 A. And to invite their comments,
20 and I think you replied to that letter.

21 Q. When was this written? This
22 year? Last year?

23 A. We have written about the subject
24 before, but this is June 25, 1964.

25 Q. 1964?

26 A. Yes.

27 Q. And you say it would amount
28 to 0.2 hours?

29 A. Yes.

30 Q. You would count just time on



1 assignment on that basis in the wintertime?

2 A. Yes.

3 Q. While for days off, for time
4 off you would count the full 24 hours and you would
5 count effective pilots?

6 A. In which way?

7 Q. During the wintertime? You
8 are calling a pilot for a ship at Les Escoumains. The
9 fellow gets down to Escoumains. He takes a day. He
10 waits another day for the ship, boards the ship and
11 gets the ship to Quebec. Let's say he has taken three
12 days all round. This fellow has been on duty for three
13 days, available on duty; not actually piloting, but
14 he has been on duty the same way as a pilot during
15 the summertime, who would be available although he was
16 not piloting, would be counted as an effective pilot? He
17 may be home and waiting for a ship.

18 A. Those comments -- it is true
19 that the pilot travels. Now, it is noted that we do
20 not keep statistics on travelling time. There are two
21 reasons for this, and one reason --

22 Q. We are not talking about the
23 same subject and I am desperate, so forget about it.

24 A. All right.

25 Q. But while you were talking about
26 this 12-months basis and 9-months basis, I draw your
27 attention to Exhibit 1300. If you look at the number
28 of hours you counted for effective pilots in Exhibit 1300,
29 time on assignment for effective pilots, you would get
30 a figure of 1,238 for Quebec, 1,497 for British Columbia,



1 2,100 for District 3 and 2,999.5 for District 2 pilots.
2 If I take the Quebec District and the B.C. District,
3 it would make for a difference of about, all told,
4 200 hours per year per pilot, which you will agree
5 that figure of 9 months versus 12 months is not quite
6 giving an appropriate figure of proportions.

7 A. That is the point I was making.
8 These things equate themselves out. Although the B. C.
9 pilots work the entire 12 months, the net result really
10 comes to much the same as the river pilots.

11 Q. I must say I don't understand
12 quite well what you mean by time on assignment. You
13 say that in the Quebec District it is only boarding
14 time; from boarding time to disembarking time?

15 A. Yes.

16 Q. Are you sure it is not counted
17 from sailing time only?

18 A. I am quite sure.

19 Q. Now, you say in other Districts
20 you have a different basis, that it would include
21 detention time, waiting for the ship although not on
22 board the ship?

23 A. I don't agree that it is
24 different, of course. It is the same.

25 Q. You say it is the same?

26 A. Yes, for this reason: In both
27 Districts and in all Districts track is kept of time,
28 a record is kept of time which means money. In other
29 words, when they are receiving some form of remuneration,
30 that time is tabulated. Whether that remuneration is



1 earned by staying ashore waiting for a ship or whether
2 it is earned on board a ship. If, for example, may I
3 add if they are waiting for a ship, be it in Les
4 Escoumains or be it in Vancouver or Victoria, that
5 time is not counted.

6 Q. If they are waiting for a
7 ship at the St. Lambert lock that time would be counted?

8 A. Yes, for the Cornwall Pilotage
9 tariff for the District of Cornwall provides
10 that after two hours there is an earning although the
11 pilot may not in fact be on the ship while so waiting.

12 Q. After two hours? Didn't you
13 say that you did calculate only the time for which
14 he was paid? Did I hear that? Do you start only
15 after the two hours?

16 A. No, sir, when the money is
17 earned, the fact that there is an alleged free period
18 really is not, in my opinion, relevant. If he waits
19 three hours and he gets \$10.00 or \$5.00 an hour,
20 because the first one is free --

21 Q. You mean the first two hours
22 are free?

23 A. Yes.

24 Q. Let's keep to the St. Lambert
25 lock?

26 A. Yes. If he waits for three
27 hours he gets \$5.00, and that \$5.00 has in part been
28 earned by the first two hours, and therefore runs right
29 on.

30 Q. On the assignment time for



1 Cornwall you would have calculated three hours in
2 addition to the sailing time?

3 A. In addition to the time on
4 board ship, be it sailing or waiting in the lock on
5 board ship or whatever.

6 THE CHAIRMAN: You start your calculation
7 from order time?

8 THE WITNESS: Yes, providing he writes
9 down the time.

10 THE CHAIRMAN: Order time provided the
11 pilot was there at the ~~ordered~~ time?

12 THE WITNESS: Yes, which is pretty well
13 invariably so.

14 THE CHAIRMAN: He is there generally
15 some time in advance?

16 THE WITNESS: But the advance time would
17 not count.

18 MR. LALONDE: Q. And if the ship
19 anchors with a pilot on board, that is included in the
20 total time he was on board ship?

21 A. Yes.

22 Q. Although there is no specific
23 remuneration for him?

24 A. No. This differs with different
25 Districts, but it would be all included in the time.

26 THE CHAIRMAN: All included in the time
27 on assignment?

28 THE WITNESS: Yes.

29 MR. LALONDE: Q. So that in effect the
30 summary of pilots' time on assignment can't be compared



1 very easily one with another, if you take one District
2 like British Columbia and District 3 and District 2 and
3 Cornwall and Quebec, because in one instance you might
4 have only actual time on board ship while in another
5 instance you might have time for waiting for the
6 ship, time during which the pilot would have waited
7 for the ship, would be included?

8 A. Yes, sir, but then this matter
9 of comparison which you allege springs from the fact
10 that the pay, the earning rate, is not exactly
11 comparable. In itself the record, I think, is
12 quite consistent. What you feel is inconsistency
13 steps back one further to another cause; that is to
14 say, different rates that pilots earn and are
15 compensated for their labours in different Districts.

16 Q. I see your point. The rationale
17 behind this is only whether there is some money
18 attached to the time the pilot is there?

19 A. Yes.

20 Q. If there is no money he is not
21 on assignment?

22 A. That is right.

23 Q. And that is the way this whole
24 figure, this whole Exhibit has been tabulated?

25 A. May I say we must ~~not stop~~ the
26 effect of this summary -- it is desirable to be known --
27 but the amount of time and money earned at St. Lambert
28 lock is not that much in magnitude.

29 Q. Can you tell me St. Lambert lock
30 is the only instance on Exhibit 1300?



1 A. Well, B.C., of course.

2 Q. B.C. would also pay --

3 A. The same way for the same
4 reason.

5 Q. Isn't it a fact for B.C. it
6 could be more important?

7 A. It will be more important.

8 Q. How much more important is
9 it going to be?

10 A. Without checking I couldn't
11 tell you.

12 Q. That is pretty important
13 because you arrive at a comparative figure here of
14 1,238 hours for Quebec versus 1,397 for British
15 Columbia. You might have here a figure for British
16 Columbia of 200 hours per year per pilot waiting for
17 a ship in a port.

18 THE CHAIRMAN: From the evidence we
19 have had waiting for a ship at a port at the request
20 of the ship, this is duty. Waiting at another
21 station for another ship, it is not duty.

22 MR. LALONDE: Q. I would like to know
23 how you calculate it for B.C. and what this represents?

24 A. Where this is paid, as I said
25 it is in outports. For example, in Vancouver and
26 Victoria it does not arise, but in various places,
27 according to the texts of the by-laws, a charge is
28 levied. We can find out how much this is and let you
29 know.

30 Q. I would appreciate having that



1 tomorrow.

2 THE CHAIRMAN: We have been told some
3 trips may last 14 days when they come from California
4 and go to Alaska, for instance, but from the percentage
5 we worked out it is very small.

6 MR. LALONDE: Yes.

7 THE CHAIRMAN: The number of boat trips.

8 MR. LALONDE: Due to the particular type
9 of pilotage they have there.

10 THE WITNESS: But, excuse me, sir. May
11 I add that the California trips are not included in
12 any pilotage duty in the District.

13 THE CHAIRMAN: We will adjourn until
14 tomorrow morning at ten o'clock.

15 ---WHEREUPON THE HEARING ADJOURNED AT 5:05 P.M.

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ROYAL COMMISSION

ON

PILOTAGE

HEARINGS

HELD AT

OTTAWA

VOLUME No.:

146

DATE:

Sept. 24, 1964

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ROYAL COMMISSION ON MARINE PILOTAGE

Proceedings of the hearing held
in the Exchequer Court Building,
Ottawa, Ontario, on Thursday,
September 24th, 1964.

COMMISSION:

The Honourable Mr. Justice Bernier	Chairman
Mr. Robert K. Smith	Member
Mr. Harold A. Renwick	Member
Mr. Gilbert Nadeau	Secretary

COMMISSION COUNSEL:

Mr. Maurice Jacques

PRESENT:

Mr. J. Brisset, Q.C.	for the Shipping Federation of Canada
Mr. Marc Lalonde	for the Federation of St. Lawrence River Pilots; Cor- poration of the Lower St. Lawrence Pilots; Corporation of Montreal Harbour Pilots; Corporation of the Mid-St. Lawrence Pilots; Corporation of the St. Lawrence River and Seaway Pilots; Corporation of the Upper St. Lawrence Pilots
Mr. R. Langlois	for the Canadian Merchant Service Guild



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1345	Brief of Clarke Steamship Company and addendum, dated April, 1964	18781
1346	Group of correspondence between Maitre Lalonde and Capt. D.R.Jones	18799
1347	Correspondence between Capt.J.A. Edwards and D.R.Jones between June 27 and September 21, 1962	18856
1348	Copy of telegram sent to pilots of Cornwall, Kingston, Quebec, Montreal River and Montreal Harbour districts, dated April 10, 1962, and list of recipients of same.	18879



Ottawa, Ontario,
Thursday,
September 24, 1964

---Upon commencing at 10.10 a.m.

DAVID RUSSELL JONES, sworn

MR. JACQUES: My lord, we had requested Captain Jones to let us know when Exhibits 1296 and 1301 were prepared in his office. I have the information. Exhibit 1296 was prepared in March, 1963, and Exhibit 1301 was prepared between the 1st and the 15th March, 1964.

DIRECT EXAMINATION BY MR. JACQUES:

Q. Also we wanted to know when the change-over in the financial year with respect to the pilotage districts had taken place and I am advised that it took place for the year 1960?

A. Yes, sir.

Q. 1960 was the first year where the calendar year was used?

A. Yes, sir.

THE CHAIRMAN: And that is in all pilotage districts?

THE WITNESS: Yes, sir.

MR. JACQUES: We had also requested Captain Jones to file the certificates of appointment of Captain Catinus and Captain Lahaye. I now have photostatic copies of these documents, which I should like to file as exhibits, the first one 1343 and the second one with respect to Captain Lahaye as 1344.



Jones, dir
(Jacques)

18760

1 ---EXHIBIT NO. 1343:

Civil Service Commission
certificate of appointment
of Captain Catinus.

2
3
4 ---EXHIBIT NO. 1344:

Civil Service Commission
certificate of appointment
of Captain Lahaye.

5
6 MR. JACQUES: These are Civil Service
7 Commission certificates of appointment and with respect
8 to Captain Catinus the class and grade of the appoint-
9 ment is "Technical Officer 6."

10 MR. BRISSET: What is the date, please?

11 MR. JACQUES: 28-7-62.

12 THE CHAIRMAN: For both?

13 MR. JACQUES: For Captain Catinus,
14 and it was effective from the 25th of the 6th month of
15 1962. With respect to Captain Lahaye, he was
16 appointed "Superintendent of Pilots 3". It was made
17 on the 25th of the 9th month, 1963, and effective from
18 the 23rd of the 9th month of 1963.

19 This document shows also part of the
20 change of command. Captain Lahaye is to report to
21 Captain Catinus, whose title is according to that
22 document regional superintendent of pilots, although
23 in fact the appointment of Captain Catinus does not
24 state that. Captain Catinus is to report to Captain
25 Jones, whose title is superintendent of pilots.

26 THE WITNESS: Yes, sir.

27 MR. JACQUES:

28 Q. Would you confirm that with respect
29 to Captain Catinus there are no other documents con-
30 cerning his appointment? There is no nomination or



1 appointment made by the Pilotage Authority?

2 A. No, sir, there is no such formal
3 appointment.

4 Q. When Captain Catinus was regional
5 superintendent would he have received a letter outlining
6 his duties from the Pilotage Authority or any document
7 of any kind?

8 A. There was no document, but upon his
9 application for the appointment he received, as other
10 applicants did, a statement of the duties of the position
11 and it was on that basis that he was appointed.

12 Q. I see. If you do not recall this
13 you might supply the information later on, but during
14 the time Captain Catinus was regional superintendent
15 do you know what investigations he has made and what
16 disciplinary measures he has taken against pilots?

17 A. I would have to look at the record to
18 see what actual cases he attended to during the course
19 of his tenure as regional superintendent.

20 Q. The purpose of my question is this.
21 I submit that for Captain Catinus to exercise any
22 valid authority over a pilot there should have been
23 an appointment, a delegation of authority in writing
24 by order in council under Section 327 and that dis-
25 disciplinary measures he may have taken against pilots
26 when he was regional superintendent, without being
27 clothed with the proper authority, would be null and
28 void and could be crushed.
29
30



1 CROSS-EXAMINATION BY MR. LALONDE:

2 Q. While we are on this subject,
3 Captain Jones, in the case of Captain Gendron, when
4 he was regional superintendent, my impression is that
5 Captain Catinus did not take any disciplinary measures
6 but Captain Gendron may have taken some. Would you
7 check?

8 A. Certainly, sir.

9 Q. The appointment of Captain Lahaye
10 as superintendent of pilots in Quebec -- is this also
11 the only document which is available or which was signed
12 at the time concerning this appointment?

13 A. Yes, sir, but I should point out that
14 the document you have before you is one emanating from
15 the Civil Service Commission and this is his appoint-
16 ment as a civil servant. The description there does
17 not carry the same import as one under the authority
18 of the Pilotage Authority. There is a similarity
19 of terminology but they are not the same thing at all.

20 Q. Well, that is exactly my question.
21 Do you know whether there is another document which
22 would be his appointment by the Pilotage Authority?

23 A. No, sir. This falls under the
24 same criticism as has already been made by Maitre
25 Jacques.

26 Q. For Mr. Catinus the certificate of
27 appointment, Exhibit 1243, would be the only document
28 relating to his appointment?

29 A. Yes, sir.

30 MR. JACQUES: Would the same answer



1 apply with respect to all the other districts under
2 the Minister's administration?

3 THE WITNESS: I am almost certain
4 that this is so. Dealing with this matter in a
5 practical way we have ignored, as an earlier witness
6 said, a legal nicety.

7 MR. JACQUES: Thank you.

8 MR. LALONDE:

9 Q. Captain Jones, when we adjourned last
10 night you were to investigate what exactly was the
11 situation concerning detention time in the calculations
12 made in connection with Exhibit 1298. Did you have
13 time to do that?

14 A. I am afraid not. Upon inquiry we
15 found that the British Columbia figure, for example,
16 is one that has to be culled from various sources
17 and there was not sufficient time this morning to get
18 it done. But it is in hand. Similarly for the
19 time spent at St. Lambert Lock, we have not had time
20 to ---

21 Q. Well, I did not request that one.
22 You said it was very small anyway. I was interested
23 in the British Columbia figures. I want to know the
24 so-called detention time of the total figure of
25 93,794 hours.

26 A. Yes. I think we will have it later
27 today. I am afraid that we do not have priority on
28 the machine and although the machine when active takes
29 very little time we have to take our turn with other
30 users. For this reason apparently we will not get it



1 today.

2 Q. How many weeks will it be?

3 A. I hope it is not weeks because it
4 really should not take long. The actual performance
5 does not take more than relatively a few minutes.
6 But this situation I perhaps should add is going to
7 change and improve radically for the better. We are
8 having a new machine and we won't have to wait very
9 long.

10 Q. It is nice to see you are so opti-
11 mistic after all these years.

12 You were also to obtain the documents
13 which were sent to shipping interests and pilots for
14 negotiations in 1960, 1961 and 1962. Do you have
15 the documents?

16 A. No, I am afraid we have not had time
17 to get those either this morning.

18 Q. Do you have any idea when you can get
19 these?

20 A. Apparently we can get them by to-
21 morrow, it is hoped.

22 Q. I want to come back to something you
23 said yesterday in connection with Quebec and Montreal
24 river pilots. First of all I would like to know
25 whether when you calculate time for the east coast
26 pilots at Halifax and Saint John and Sydney the year
27 for your calculation purposes is counted as a 365-day
28 year?

29 A. The entire period from January 1st
30 to December 31st is totalled. All the time spent as



1 indicated by the pilots' source forms is taken in
2 aggregate and that is the figure that is used, yes.

3 Q. Then what is the answer to my
4 question, Yes or No?

5 A. The answer is Yes. We take January
6 1st to December 31st of the particular year we are
7 dealing with.

8 Q. I understand that in Quebec District
9 and Montreal District you still take only part of the
10 year. I think you mentioned 275 days yesterday?

11 A. Well, I should perhaps explain that
12 while we assume an active season at that number of
13 days the entire source forms of the work performed in
14 the year is included in the figure of total time, but
15 because the daily workload in the winter is very
16 significantly smaller than the rest, and in fact in
17 the past has been virtually quite insignificant, we
18 put it into that shorter period. The result of our
19 doing so produced a daily workload which was last
20 year .2 an hour higher than it really ought to be on
21 another basis, but we felt ---

22 Q. On your definition of workload
23 obviously.

24 A. Yes.

25 Q. I submit to you that for the Quebec
26 District anyway for the last two years there was pro-
27 bably as much work during the two months and a half
28 which you arbitrarily leave out as during the two
29 and a half months in summertime for instance in St.
30 John's, Halifax, which you include when you state that



1 they have a twelve-month year.

2 A. I must take exception to your comment
3 that we leave it out. That is exactly what we do
4 not do. We add it in; we do not ignore it.

5 Q. If I understand what you said all
6 right -- you add it in. But nevertheless you stated
7 yesterday that you calculated the year in Quebec as
8 275 days, which allows you in effect to say that those
9 pilots were working only nine months and a half, leaving
10 the impression that they are off free on holidays
11 for three months, two months or two and a half months.

12 A. No. If I may disagree, the effect
13 is the very reverse, I feel. We do not publicly say ...
14 It would only be with some very close scrutiny that you
15 would find it was 275 days. The effect of this is
16 that we say that the workload of a pilot, the daily
17 workload, so-called for the moment, is a little higher
18 than it would otherwise be.

19 Q. So you do not say that publicly?
20 May I read you a speech in the House of Commons made
21 by the Minister on April 5th, 1962? He said: "The
22 pilots of those districts" -- referring to the St.
23 Lawrence River districts -- "work approximately nine
24 months a year." And you do not call this a public
25 statement?

26 A. No, but I am here speaking of these
27 statements and while one speaks of the season in the
28 district as nine months approximately when these state-
29 ments are produced, we do not make an issue of the
30 point that it is 275 days, as you will observe on the



1 statement.

2 Q. Well, I would like you to bring
3 the previous statement which you have used in all the
4 past years, because these are new statements prepared
5 for the purposes of this Royal Commission. I submit
6 to you that the point I raised was very much used in
7 previous times.

8 A. Well, the important figure surely is
9 the daily workload. This is the crux of the matter.
10 Here this is a little higher. Now one could do it
11 the other way and of course then fall foul of the
12 other criticism that they work too little if you divide
13 it by 365. Then the result would be quite unrealistic.
14 It would show a pilot working virtually half the time
15 he is in truth working. I think you would agree this
16 would not be reasonable.

17 Q. Maybe because of your definition of
18 workload and the way you keep your statistics.

19 A. No, I differ here. If we divide
20 by 365 when in fact the pilots are not working very
21 much for, say, three or four months of that, it pro-
22 duces an average which does not mean anything.

23 Q. Yes, and this is why for instance I
24 want the statistics which have not been produced for
25 this Commission but which I hope you will bring soon.
26 You arrive at figures like 15 minutes a day or 45
27 minutes a day for pilots on the east coast if you take
28 the figure 365 days for the year. You state that
29 it does not make sense and indeed I agree with you.

30 A. I did not say that about the east



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Jones, cr-ex
(Lalonde)

18768

1 coast. We were here addressing our remarks, I think,
2 to the river situation.
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1 Q. Well, let us go back to the river.
2 I am asking you a very simple question and I would like
3 you to answer it simply. Is it not a fact that for
4 the so-called winter months in the Quebec District as
5 much work is done by the pilots as is done in the
6 summer months in Saint John or Halifax, for instance?

7 A. Without looking the figures up, I
8 would be inclined to agree with you. It is indeed
9 a plausible and reasonable comment to make.

10 Q. Thank you very much. I would like
11 to refer you to the exhibit which my friend Mr.
12 Brisset showed you yesterday about the absenteeism
13 in Quebec.

14 MR. JACQUES: 644.

15 MR. LALONDE:

16 Q. 644. I do not want to dispute the
17 total figure already there of 3,084. That is pro-
18 bably accurate. I would just like to stress a point
19 or two on this total figure for the year and to the
20 statement made by my friend to the effect ten pilots
21 have been absent all year round. Is it not a fact
22 that on this statement, Exhibit 644, you have nine
23 days which have been calculated for all pilots auto-
24 matically because of the stoppage of work in April?

25 A. Yes, sir, ten days, yes, sir.

26 Q. Is it ten days or nine?

27 A. Ten days.

28 Q. I think it is nine, if you will look
29 at the lowest figure you will see it is nine.

30 A. Yes.



1 Q. So this multiplied by 77 would make
2 623 days out of the 3,084 mentioned there.

3 A. Yes.

4 Q. That is two pilots out already.
5 I would like to refer you to Exhibit 705. You will
6 notice there we have Pilot No. 1 who has been absent
7 all year.

8 A. Yes.

9 Q. Which makes 365 days or is it 275?

10 A. Yes.

11 Q. 275?

12 A. Yes.

13 Q Then you have Pilot No. 2 is out for
14 how many days?

15 A. 116.

16 Q. And then Pilot No. 3?

17 A. He is listed here as 81 days.

18 Q. And Pilot No. 4?

19 A. 91 days.

20 Q. Pilot No. 5?

21 A. 94 days.

22 Q. Pilot No. 6?

23 A. 151 days.

24 Q. Pilot No. 7?

25 A. 63.

26 Q. If we count these pilots whose absence
27 has been explained by this letter and by the examination
28 in the past, we have a figure of 871 days plus 623 days.
29 Is that correct?

30 A. Yes.



1 Q. Which would make a total of 1,494
2 days?

3 A. That is right.

4 Q. Due to stoppage of work and to these
5 special cases of people mentioned in Exhibit 705?

6 A. Yes.

7 COMMISSIONER RENWICK: Excuse me,
8 did you say 673, Mr. Lalonde?

9 MR. LALONDE: 623.

10 COMMISSIONER RENWICK: I thought it
11 was 77 times 9.

12 MR. LALONDE: Yes. Is it 673?

13 COMMISSIONER RENWICK: 693.

14 MR. LALONDE: So much the better for
15 me.

16 COMMISSIONER RENWICK: You may as
17 well have it checked out.

18 MR. LALONDE: That is true, thank
19 you very much.

20 MR. LALONDE:

21 Q. Which would make a total of 1,564;
22 that is 371 plus 693, out of a total of 3,084 days
23 mentioned there?

24 A. Correct, yes.

25 Q. My lord, I will have one or two more
26 questions when the information is brought forward.

27 THE CHAIRMAN: Very good.
28
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30



1 CROSS-EXAMINATION BY MR. BRISSET:

2 Q. Captain, would you refer to Exhibit
3 1300 which gives the time of pilots on assignment in
4 the Montreal River District and the Quebec District
5 during the winter months of January, February and
6 March?

7 A. Yes, sir, January, February and
8 March.

9 Q. Would you agree with me that these
10 figures reveal that during that three-months' period
11 the most that each of the pilots in the district could
12 have done by way of trips is two trips?

13 A. That is, I take it, you divide the
14 number of pilots by the figures shown here but of course
15 it may well be that one individual pilot would do more
16 than two. He might be left to do possibly all of them
17 or at least a very large number but on an average,
18 you mean.

19 Q. On an average.

20 A. For Quebec, for example, January 289
21 hours. This would have to be divided by 11 to get
22 the number of trips to something in the order of
23 27 or 26 trips, and this in turn would have to be
24 divided by 70-odd pilots which make about one-third
25 of a trip on the average.

26 Q. So as to complete this exhibit 1300,
27 could you give us for the Montreal River and Quebec
28 Districts the number of assignments during the
29 wintertime?

30 A. Yes, sir, we could.



1 Q. Just the number?

2 A. Yes, we can do this to get an average
3 in the sense that you speak of,
4 divide the total number of assignments by the total
5 number of pilots available.

6 Q. Yes.

7 A. I may say I think to do it this
8 way would be an inefficient use of time.

9 Q. I am not asking for this. I am
10 simply asking for the number of assignments and we
11 can draw our own conclusions.

12 A. Yes. I did want to make it clear to
13 you that you understand that in actual fact obviously
14 pilots have holidays and work is done by possibly a
15 much smaller group than the entire group.

16 Q. In other words, there are only a few
17 of the pilots that do winter work?

18 A. I wouldn't say only a few for they
19 arrange this amongst themselves.

20 For example, in one year I recall they
21 arranged that half of them would be available for
22 call. To me, this seems a very large number for the
23 small number of jobs to be achieved or done. However,
24 this was the arrangement made.

25 Q. Would you also bring forward the
26 figures for 1964, the number of assignments?

27 A. Certainly.

28 MR. LALONDE: For Quebec and Montreal.

29 THE WITNESS: For three months of the
30 winter, January, February and March, for both Montreal



1 and Quebec.

2 MR. LALONDE: All assignments.

3 RE-EXAMINATION BY MR. JACQUES:

4
5 Q. Your calculation for effective pilots,
6 do you do that every month for every district and
7 divide by 12?

8 A. No, sir. We customarily do this
9 once a year. Monthly it is not done for we don't
10 scrutinize -- the senior officials of the department
11 do not scrutinize statements of that sort monthly
12 but there are monthly totals carried forward but
13 they do not receive the consideration of senior
14 officials of the department every month; but here we
15 have them carried forward in this way.

16 Q. So, on Exhibit 1307, which is a list
17 of the number of effective pilots, would this list have
18 been prepared on a monthly basis and divided it by 12
19 or prepared at the end of the year?

20 A. No, sir, they are kept currently in
21 the field and at the year end we produce them on this
22 official form.

23 Q. I am asking you this question because
24 the explanation of the method used seemed to be on a
25 monthly basis on page 2?

26 A. In the district they do in fact.
27 Finally it is incorporated in an annual statement that
28 is the culmination of the year's experience to date.
29 Occasionally we do look at the year halfway through
30 the year.



1 Q. This particular document, Exhibit 1307,
2 was made on a twelve-months' basis?

3 A. Yes.

4 Q. And for each district, what is the
5 number of days that you used in one year? In Halifax,
6 did you use 365 days?

7 A. Yes, sir.

8 Q. Sydney?

9 A. Yes, sir.

10 Q. Saint John?

11 A. Yes, sir. The only districts that
12 are not -- that do not use as a basis 365 days are the
13 river districts where there was a quiescent period.

14 Q. That would be Quebec?

15 A. Quebec, Montreal River, Montreal
16 Harbour.

17 Q. Yes?

18 A. Cornwall.

19 Q. Yes?

20 A. Kingston.

21 Q. Yes?

22 A. And the Great Lakes.

23 Q. Districts 2 and 3?

24 A. Yes, sir.

25 Q. For those districts you did not use
26 365 days?

27 A. No, sir.

28 Q. Do you know the number of days that
29 you used?

30 A. Well, it varies in each year, not



1 significantly, but it does vary upon the experience
2 for a year. For example, if the year opened very
3 early well it would be a longer year than if it opened
4 very late, so, for any given year we would have to
5 look at it to know what it was, but it is in the
6 neighbourhood of 260 days or something of that order.

7 Q. Would you for each of the districts
8 which we have just named give us the number of days
9 which you have used for the years indicated on Exhibit
10 1307; that is, 1958, 1959, 1960, 1961 and 1962?

11 A. Very good, sir.

12 MR. LALONDE: With respect to
13 Exhibit 1307, have you calculated the effective pilots
14 on the same basis since 1958?

15 THE WITNESS: Yes, sir, to my know-
16 ledge. I know of no change in the calculation, in
17 the basis of the calculation.

18 MR. LALONDE: In effect was this
19 calculation used in 1958 or did you work backwards in
20 1960 or 1962?

21 THE WITNESS: I must say I couldn't
22 answer that question immediately because 1958 is a
23 little vague in my memory. I should think it was
24 done at the time or very shortly subsequent to the
25 close of the year but I would have to look it up.

26 MR. LALONDE: Would you mind
27 checking then whether these figures were calculated
28 at the time?

29 THE WITNESS: Yes, sir.

30 MR. LALONDE: In your letter of



1 May 7th, 1963, Exhibit 1307, this is a letter to Mr.
2 Nadeau from yourself, you say: "The definition of
3 an effective pilot as it appears on the enclosed list
4 was adopted by" -- probably you meant "adopted" --
5 "was adopted by this office and promulgated to all
6 our field officers on August 22nd, 1961. It is
7 the definition quoted verbatim by Beauregard, Brisset,
8 Reycroft and Chauvin in their letter of February
9 13, 1963, addressed to you requesting certain
10 statistical data."

11 So that in effect your definition of
12 "effective pilot" would have taken official shape.
13 You promulgated it on August 22nd, 1961.

14 THE WITNESS: May I mention that
15 this other -- the implication that nothing had happened
16 up to that time is perhaps a misleading one and one
17 not warranted.

18 This went out at that time. Evi-
19 dently it was felt desirable to give this clear-cut
20 statement but this calculation had been made for
21 some time. This was not the origin of the matter.

22 MR. LALONDE: Now, you say in your
23 letter it was adopted by your office and promulgated
24 on August 22nd, 1961, which pretty well, if I read
25 English or understand English properly, means that
26 it was not adopted before.

27 THE WITNESS: The English is not
28 my choice. However, the appropriate wording here is
29 not adopted as though it seems to involve the idea
30 that there was something else prior to this and this



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1 is not so.

2 MR. LALONDE: In effect, is it not
3 true that you felt the necessity of "promulgating"
4 this definition because it was not followed before
5 in certain districts?

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1 Why did you feel a sudden need in
2 1961, August, 1961, to send out instructions to all
3 the supervisors if everything went all right before?

4 A. I wouldn't be surprised to find
5 there were misunderstandings. This does happen,
6 things being what they are; lack of complete com-
7 munication between one and the other, and it may well
8 have occurred. We occasionally find this happens in
9 our organization.

10 Q. I do not want to imply here that it
11 would be something extraordinary if some misunder-
12 standing would have occurred. My implication, however,
13 is that it is very, very likely indeed that the
14 definition of "effective pilots" used before August
15 22, 1961, was not the same as the one used after,
16 at least in certain districts.

17 A. In my personal knowledge there was
18 never -- there has been no basic change in the view
19 what I have had about this. Now when I say "I",
20 my immediate seniors, but in the course of practical
21 work it may well have been that some confusion was
22 manifest, and therefore it was necessary to establish
23 without cavil what it was.

24 Q. I have not questioned either that
25 there may have been confusion in your mind or the
26 mind of your superiors, but the point is these
27 statistics were prepared at the local level, were
28 they not?

29 A. Initial data, yes.

30 Q. You felt the necessity of sending



1 these instructions on the basis that there seemed to
2 be some misunderstanding, such as the way this should
3 be calculated?

4 A. Yes.

5 Q. So that in effect there were probably
6 some districts which were not following the other dis-
7 tricts in calculating these figures?

8 A. Correct.

9 Q. So that assuming after 1961 all dis-
10 tricts would have complied with your instructions,
11 they would have had the same basis after August 22,
12 1961, but the figures before August 22, 1961, cannot
13 be relied upon too much on a comparative basis because
14 some districts might not have followed the same pro-
15 cedure as others?

16 A. Well, this is an inference one can
17 make from the fact there was such a letter as this went
18 out.

19 MR. JACQUES: You were asked to
20 explain the discrepancy of the revenue figures as
21 shown in Exhibit 1340 on Exhibit 1295 for the Port
22 Weller-Sarnia area for 1962-63. Have you found out
23 the answer?

24 A. I am afraid we have not done so yet.

25 MR. JACQUES: Thank you, captain.

26 THE CHAIRMAN: We will adjourn now
27 until we get another witness.

28 ---Witness retired.

29 ---Short recess.
30



1 MR. JACQUES: Before we move on
2 to the District of Montreal-Cornwall, my lord, I
3 should like to file a brief submitted to the Commis-
4 sion by Clarke Steamship Company in the summer of
5 1963, together with addendum No. 1, dated April, 1964.

6 I should like to say that we com-
7 municated in writing repeatedly with the Clarke
8 Steamship Company, and requested them to appear to
9 file their brief, but they have not done so. However,
10 since it contains the opinion of a shipowner, and since
11 it has not been withdrawn, I should like to file it as
12 Exhibit 1345.

13
14 ---EXHIBIT NO. 1345: Brief of the Clarke
15 Steamship Company
16 and addendum dated
17 April, 1964.

18 CAPTAIN F. S. SLOCOMBE, sworn

19 DIRECT EXAMINATION BY MR. JACQUES:

20 Q. Captain, before we start with
21 Cornwall, I should like to ask you a question of a
22 general nature. I am sure that you will be able to
23 supply the answer since it does not require any study
24 of a file.

25 Is it the departmental opinion that
26 the bylaws can be modified by private agreement, say,
27 between the Pilotage Authority and a pilot or group
28 of pilots?

29 A. Do you mean the actual bylaws?

30 Q. Yes.



1 A. By agreement?

2 Q. Yes.

3 MR. BRISSET: Without order in
4 council.

5 THE WITNESS: Oh, no, no. Not
6 legally, no.

7 THE CHAIRMAN: In practice, however,
8 it is done. Like in B. C. for instance, while they
9 are negotiating changes in a bylaw and you are not
10 finished with the old revision, some items have been
11 agreed upon by shipowners and the pilots. They are
12 implemented by agreement although it is not passed
13 as a bylaw yet.

14 THE WITNESS: This is correct, my
15 lord, but on the understanding that it is not manda-
16 tory for any ship that would take exception to pay,
17 or whatever it is that has been agreed upon by the
18 group of shipowners, then we would have no right to
19 claim that.

20 THE CHAIRMAN: That is right.

21 MR. JACQUES:

22 Q. Have you ever given some thought to
23 the payment of pilotage dues to the pilots as a group
24 in Quebec either to the Association or to the Corporation
25 -- in view of the wording of the Quebec bylaw, section
26 9 of the bylaw makes it mandatory upon the supervisor
27 to pay to each pilot the remainder of the pilotage dues
28 earned by him.

29 A. Yes, and this is done except where
30 the pilot has given power of attorney for the



1 Association to receive his money on his behalf.

2 Q. Would you have read one of these
3 powers of attorney? Do you recall the text of one
4 of them?

5 A. Oh, it is a long time back, Mr.
6 Jacques, but I understand -- I should say we understand,
7 we are convinced that every pilot has given authority
8 to his Association to receive his dues which may be due
9 to him.

10 Q. But are the dues not paid as a whole
11 to the Association?

12 A. Oh, as a matter of machinery as long
13 as the local supervisor has the individual pilot's
14 authority to do this. Of course, it would not be
15 necessary to take individual cheques for each bill
16 and pass it over. It is done in a lump.

17 THE CHAIRMAN: I think your answer
18 with regard to the bylaws should be further qualified.
19 I recall in the leave section, the leave chapter in
20 the B. C. District bylaws -- for instance, the pilots
21 are not paid half pay over there, half remuneration.
22 There is another scheme that was conceived by the
23 pilots and which was agreed upon by the Authority
24 despite the bylaw.

25 THE WITNESS: I assume pending an
26 amendment to the bylaw.

27 THE CHAIRMAN: That I don't know.
28 It was there in 1963. It was there before that.
29 According to the bylaws in B. C. when somebody is
30 disabled and does not do duty, he has two months leave



1 with pay, two months leave with half pay and then
2 without pay. This is not carried out any more. He
3 is receiving full pay all the time.

4 THE WITNESS: I was not aware of
5 this, I am afraid, my lord.

6 THE CHAIRMAN: This is the evidence,
7 because they have taken disability insurance that they
8 pay out of their own money, and when they receive bene-
9 fits they put those benefits into the pilotage fund.

10 THE WITNESS: I assume something
11 will be done in the revision of the bylaws to take care
12 of this. I was not aware of it.

13 THE CHAIRMAN: I have seen that this
14 comes from the Pilots' Committee. For instance, they
15 have decided after two years' absence that a pilot
16 should be retired, not one year. It was agreed
17 upon apparently by the Authority.

18 MR. JACQUES: Contrary to the
19 main text of the bylaw.

20 THE CHAIRMAN: I do not want to
21 get into the B. C. District. I was just mentioning
22 that as an example.

23 THE WITNESS: As a matter of comment,
24 my lord, I think we have understood that the wording
25 here is that consideration may be given to his retire-
26 ment.

27 THE CHAIRMAN: Yes.

28 THE WITNESS: The final word would
29 still be with the Pilotage Authority for any individual
30 case.



1 THE CHAIRMAN: Yes, there is no
2 doubt about that.

3 MR. JACQUES:

4 Q. Captain, we are consulting Exhibit
5 713 which was filed in Quebec, and it is a bundle of
6 documents called Demande D'Adhesion and Modification
7 de l'acte de Societe. This is a request for appli-
8 cation to become a member of the Corporation, and also
9 a document entitled Modification of the Partnership
10 Deed. Those documents contain no authority for the
11 department -- for the Pilotage Authority I should
12 say -- to pay over the money to the Association.

13 A. Well, this would be an individual
14 act of the pilot concerned.

15 Q. I should like you then to search
16 your files either in Ottawa or in Quebec and file photo
17 copies.

18 A. File which copies?

19 Q. Photo copies of these powers of
20 attorney for each pilot now on the roster?

21 A. We can do this.

22 MR. LALONDE: I would like to find
23 out also, in Exhibit 592, which is the Act of Partner-
24 ship of the Association of Pilots in Quebec, particularly
25 clause 10, and that Act of Partnership is signed by all
26 the pilots, the members of the Corporation, and has been
27 signed by all the previous pilots in the past also.

28 THE CHAIRMAN: And this Act of
29 Partnership was provided to the Authority.

30 MR. LALONDE: To the Pilotage



1 Authority, and this Act of Partnership states in
2 clause 10 that all members agree to turn over in the
3 hands of the secretary-treasurer all the moneys earned
4 from the tariff except the pension.

5 Then the Act of the Association was
6 amended by the Corporation, bylaws of the Corporation,
7 which automatically become bylaws of the Association.
8 So that in effect the bylaws of the Corporation are
9 also the bylaws of the Association now, the provisions
10 of the bylaws of the Corporation.

11 THE WITNESS: I doubt if we would
12 take cognizance of either of these acts between the
13 pilot and his corporation or the association. I
14 think we would need something from the pilot himself
15 under the bylaws to tell us to pass it over.

16 MR. JACQUES:

17 Q. Would you check your files?

18 A. Yes.

19 Q. I may as well state what I have at
20 the back of my mind when I ask these questions.

21 Yesterday Mr. Dixon of the Financial Section of the
22 Department of Transport agreed with me that the
23 pilotage dues would be included in the definition of
24 money paid to Canada for a special purpose within the
25 definition of the Financial Administration Act.

26 THE CHAIRMAN: And he added it was
27 his personal view.

28 MR. JACQUES:

29 Q. His personal view, and under that
30 Act public moneys of Canada and money paid to Canada



1 for a special purpose must be dealt with strictly
2 in accordance with the applicable regulations under
3 Section 89.

4 A. This is new to us, Mr. Jacques.

5 Q. I thought it might be.

6 A. It is another complication.

7 Q. Now, Montreal-Cornwall, Question
8 No. 1, development and changes since June, 1963.

9 A. No special changes. Traffic has
10 increased and steps are now being taken to licence
11 more pilots. We are moving the trailer from one
12 side of the lock to the other.

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1 This has been made possible by the
2 statement of the pilots that they will not expect a
3 new septic tank and water pipes and so on to be laid
4 in the new location.

5 Q. When did the pilots notify you of
6 what you have just stated?

7 A. Well, it has blown up now by a
8 letter addressed to the Minister.

9 MR. LALONDE: Excuse me; the ques-
10 tion was, when did it first arise.

11 THE WITNESS: Well, this has been
12 some time. When we put the trailer over there first
13 as a shelter for them we understood that this was the
14 only position that the Seaway would agree to having
15 this digging and so on done, and we understood that
16 the pilots were quite happy with it at the time.
17 Now since that apparently they have objected to being
18 on one side of the lock while waiting and having to go
19 across to the other side to join their ships, because
20 apparently the ships tie up on the other wide of the
21 lock.

22 Perhaps if we had realized this
23 right in the very beginning we could have got these
24 facilities provided on that side, I do not know, but
25 anyhow, in view ---

26 MR. JACQUES:

27 Q. To come back, I think that we have
28 had in evidence that when the caravan was first instal-
29 led then the series of requests were made afterwards.
30 But since the Commission sat in Montreal in June we



1 do not know what happened. Have you had any further
2 negotiations with the pilots with respect to this
3 caravan?

4 A. Not until this has blown up now,
5 and this is a letter dated the 10th September to the
6 Minister.

7 Q. Addressed by whom?

8 A. By Mr. Andre Bedard for the Pilots'
9 Federation.

10 Q. The letter is in French, my lord.
11 A translation has been made. It might perhaps be of
12 some interest if the witness were to read the transla-
13 tion.

14 THE CHAIRMAN: Yes.

15 THE WITNESS: Very good, my lord.
16 It is addressed to The Honourable J. W. Pickersgill
17 and commences: "Dear Sir; At the last meeting"--
18 and I am reading now from the translation -- "of the
19 administrative council of our Federation I was informed
20 of a problem as regards three pilotage districts in
21 the St. Lawrence -- that is, the Mid-St. Lawrence Pilots,
22 the Montreal Harbour Pilots and the St. Lawrence
23 Seaway Pilots. The problem is the matter of a shelter
24 near the relief station for pilots at the St. Lambert
25 Lock when these pilots must wait to board their
26 vessels.

27 "This question was brought up by the firm
28 of G. T. R. Campbell & Company, to which your depart-
29 ment entrusted a study of the procedures of vessels
30 entering and leaving the lock. This gives rise to



1 a recommendation which your Deputy Minister com-
2 municated to us in a letter dated December 2nd, 1963,
3 and we quote it."

4 The translation is not given of the
5 quotation, but this is it in a rough translation, my
6 lord -- "Other facts have been uncovered, for example
7 the necessity to move at St. Lambert the trailer, which
8 serves for a temporary lodging, to a better location
9 poses a problem of which we are conscious and it is
10 for this reason that we seek to have included a fund
11 to this end in the Estimates for the approaching year."

12 Now this was done.

13 MR. JACQUES:

14 Q. This is the end of the quote?

15 A. This is the end of the quotation, yes.
16 I could go on with reading the translation now as it
17 is given.

18 "There followed an exchange of
19 correspondence between the officers of your department
20 and the pilots concerned. The present situation is
21 that the pilots who have to wait for the vessels have
22 no adequate shelter. They are sometimes tolerated
23 inside a narrow corridor in a Seaway building. Further,
24 the trailer, use of which is prohibitive, is installed
25 on the west side of the lock and is far from the point
26 of embarkation. The result is that the pilots must
27 wait outside.

28 "Since this problem was also raised
29 last year and since we had the assurance of a new
30 shelter our fellow pilots showed great cooperation and



1 much tolerance by awaiting in almost impossible places
2 the arrival of the vessels. However, bad autumn
3 weather and winter snows are approaching and you must
4 admit that in this twentieth century it is unacceptable
5 that men who take the responsibility of conducting
6 vessels safely into port should be obliged to wait
7 outside victims of the weather's inclemencies.

8 "We ask your department therefore
9 to please move the trailer close to the embarkation
10 point. We realize that this could be a temporary
11 arrangement and since it seems that the adequate
12 building will be built soon we agree to cooperate
13 with your department and accept such a shelter.
14 However, I have been advised that in case of bad
15 weather after October 1st, the pilots, if they are
16 not provided with an adequate temporary shelter
17 placed at the St. Lambert Lock will await vessels
18 at their homes and will report when the vessels
19 are ready to take them aboard. This would cause
20 a delay in navigation which is something we very
21 much wish to avoid. I believe it is simply a
22 matter of a little cooperation between the authorities
23 in your department and those of the Seaway so
24 that this temporary arrangement may be carried out
25 with the briefest possible delay.

26 "We regret having to approach
27 you personally with a problem which seems minor
28 when you have such important functions to fulfill,
29 but since this matter has been in abeyance for a
30 number of months we believe that a word from you to



1 the officials of your department will suffice to set
2 matters right.

3 "Yours truly,

4 "Andre Bedard, President."

5 Q. Do you know how long it takes to
6 walk from the present position of the trailer to the
7 boarding point?

8 A. I do not know how long, my lord,
9 but the Commission is familiar with the locks. This
10 trailer is now and has been under the bridge at one
11 end of the lock, the lower end of the lock. In
12 order to get to where they have to climb on board
13 the vessels they must walk to the lock gate and cross
14 the lock gates to the other side of the lock.

15 Q. How long does it take? Is it a
16 question of fifteen or twenty minutes?

17 THE CHAIRMAN: Before going on with
18 this subject, was any action taken? Is the question
19 settled now?

20 THE WITNESS: Yes, my lord, it is
21 being moved -- maybe today.

22 THE CHAIRMAN: Well, carry on, that
23 is all right. I was just going to stop you because
24 if the letter was still under the consideration of the
25 Department we did not want to make a trial here of the
26 question. If it is a fact now, if it is something of
27 the past, that is all right.

28 THE WITNESS: It was very much
29 simplified because Mr. Bedard assured me the night
30 before last when this came to my attention that they



1 did not intend to ask to have the water and plumbing
2 facilities, the sewer and the septic tank dug, and
3 so on. We are informed by the Department of Public
4 Works that the building will be finished by December
5 30th. This, of course, is no good for this season.

6
7 CROSS-EXAMINATION BY MR. LALONDE:

8 Q. You stated, Captain Slocombe, that
9 the first time you heard about this point was when you
10 received this letter from the Minister; is that correct?

11 A. About the point of?

12 Q. Transferring the trailer from one
13 side of the lot to the other.

14 A. As far as I know. I thought it
15 was quiescent, yes.

16 Q. That is what you stated, that is quite
17 clear. I think you said: "It first blew up the
18 other day when we got this letter from the Minister."

19 A. For the present time. I appreciate
20 this has been asked for by the pilots for a long time
21 and we have tried to get this building built for a
22 long time.

23 Q. What do you mean by "For the present
24 time"?

25 A. Well, in the last few months, say.
26 Q. It is the first time this year that we heard about
27 this problem.

28 A. I would not tie this down; I am
29 not sure. I said it had just blown up as far as I
30 was concerned.



1 Q. What do you mean by this? Was this
2 the first time you had heard about it this year?

3 A. We have known that the pilots were
4 not satisfied with the trailer where it is because they
5 have not been using it much, but this is the first time
6 that the issue was raised as an issue, for some time
7 anyhow.

8 Q. Do you remember whether this issue
9 would have been raised at all this year or last year?

10 A. It is quite likely; I would not know.

11 Q. You do not know?

12 A. No.

13 Q. You stated that this was the first
14 time you had heard about this point this year?

15 A. I would not tie myself down to that.
16 It may have been some months ago.

17 Q. I see. This was not the inference
18 which I drew from what you stated about the letter you
19 received, I must say.

20 I draw your attention to a letter
21 dated May 25th, 1964, sent by me to Captain D. R.
22 Jones. Do you know Captain D. R. Jones?

23 A. Yes.

24 Q. He is in your department and he is
25 one of your subordinates and he is reporting to you --
26 right?

27 A. Normally, yes.

28 Q. This letter is in French. I will
29 read you part of it. It is an answer to a letter from
30 your department of May 14th, signed by Captain D.R.Jones,



1 which was answering itself a letter by me of May 1st,
2 1964. If you go to the letter of May 25th, 1964,
3 the third paragraph reads, and this is a rough trans-
4 lation:

5 "My clients have instructed me
6 to ask the following thing from you.
7 Before the waiting room would be built
8 they would ask that the trailer present-
9 ly at their disposal be moved from the
10 western side to the eastern side of the
11 St. Lambert Lock. It would be easier,
12 it seems, to advise pilots who are
13 awaiting a ship, particularly during
14 night time, if the trailer were moved
15 to that side. It would also be easier
16 for pilots to board the ships in the
17 lock."

18 There is a letter here signed by Captain D. R. Jones
19 dated June 5th, 1964, stating:

20 "We have received your letter of
21 May 25th, 1964, concerning the waiting
22 room for pilots at St. Lambert Lock."

23 It goes on:

24 "We have studied in 1963 with
25 the officials of the Seaway the possi-
26 bility of installing the trailer on
27 the east side of the lock rather than
28 on the west side where it is presently
29 until the construction of a new waiting
30 room. At that time the trailer could



1 be installed only at the south side
2 of the lock.

3 "As it has been decided that that
4 place offered no advantage over the
5 present place and that the installa-
6 tion of new lines for public service
7 would have meant considerable expense,
8 no step has been taken in that respect.
9 The same situation exists at the pre-
10 sent time and since we pressed the
11 Department of Public Works to build
12 a new waiting room we do not believe
13 that we would be justified to move
14 the trailer."

15 Then the pilots had been complaining about lack of
16 water and clean beds. You say:

17 "As far as the lack of water
18 and clean beds are concerned, please
19 inform your clients that we were aware
20 of that situation and that we are now
21 improving the situation after having
22 taken the necessary measures to inform
23 the non-authorized people not to utilize
24 the trailer or go on the premises."

25 I want to file the whole corres-
26 pondence because the letter of May 14th, 1964, by
27 Captain Jones to me stated, and I translate:

28 "You alleged in your letter that
29 the trailers used by the pilots at the
30 lock had been used by employees of



1 building firms working in the area.
2 We have made a survey in that respect
3 and nothing shows that the trailer was
4 at the disposal of these employees
5 or that it has been used by them."

6 In the letter of June 5th, 1964, it
7 seems that they have taken steps to prevent non-
8 authorized people going into that trailer. What I
9 want to point out is that on May 25th, 1964, there
10 was a formal request made and from what I heard of your
11 evidence you did not seem to be aware that this request
12 was made?

13 A. It is quite possible I was not aware
14 of it since I have been travelling around quite a lot
15 and there has been a lot gone on in pilotage that I do
16 not know. But I would have agreed with that. I am
17 not trying to pass the buck; I would quite agree with
18 Captain Jones' answer in that.

19 Q. Is it not a fact that the St. Lawrence
20 Seaway would very willingly agree that the transfer
21 be made of the trailer?

22 A. Now?

23 Q. Yes.

24 A. Yes.

25 Q. Do you know when the request was made
26 to the Seaway Authority as to whether they were not
27 willing to have the transfer made?

28 A. I do not know, but there was more in
29 it than that. There was the matter of expense, knowing
30 that the new building was going to be built.



1 Q. You are doing it now and there are
2 no expenses incurred?

3 A. No, because there is no sewer.
4 All it needs now is just to hook up the trailer --
5 disconnect the pipes and put it over the other side
6 and set it up.

7 Q. I submit to you that in my letter
8 of May 25th there was no statement made in connection
9 with public services and pipes on that?

10 A. There was no mention of it but we
11 knew very well they would expect the same services over
12 there.

13 Q. That you assumed?

14 A. I certainly did.

15 Q. But how can you say that, because you
16 just stated that you were not aware of these things?

17 A. I say we would have assumed.

18 Q. You?

19 A. I would have, as presumably Captain
20 Jones did.

21 Q. I submit to you Captain Jones did not
22 make any approach to the Seaway to find out whether
23 they were willing to have the trailer transferred.

24 A. It is possible.

25 Q. In effect it took a letter to the
26 Minister to get your department to move, as usual.

27 A. We did move anyhow.

28 MR. LALONDE: That is it.
29
30



1 I want to file in a bundle corres-
2 pondence exchanged between Maitre Lalonde and Captain
3 D. R. Jones, May 1st, 1964; May 14th, 1964; May 25th,
4 1964 and June 5th, 1964.

5 ---EXHIBIT NO. 1346: Group of correspondence
6 between Maitre Lalonde and
7 Captain D. R. Jones.

8 MR. LALONDE: As far as that par-
9 ticular building which is being completed, how long
10 has it taken the department to arrive at the building
11 finally? When was this problem raised first?

12 A. This has been submitted for estimates
13 in successive years and that is ---

14 Q. Since the Seaway was opened?

15 A. Since the request was made for it,
16 yes, probably since the Seaway was opened, and each
17 year it has been cut out.

18 THE CHAIRMAN: This raises a very
19 interesting question as to whether in a case like that
20 when their subsidies are refused from public funds
21 whether it is the answer that the Authority should go
22 ahead through order in council and do that out of
23 pilotage funds because it is a necessity for the
24 pilots.

25 What was being requested in this case
26 was that it be furnished not out of the pilotage funds
27 as is contemplated by the law but from public funds.
28 That is quite different.

29 I think in cases like that, if it
30 was that urgent, that maybe the authorities could turn



1 around and ask for authority by order in council under
2 Section 328 to have it paid for out of pilotage funds.
3 That would have been the answer.

4 This is just a reflection that maybe
5 that is what happens when you do not make a clear dis-
6 tinction between the Pilotage Authority and the depart-
7 ment.

8 MR. JACQUES: In connection with
9 that, my lord, I would refer the Commission to Section
10 7, subsection 3, of the Department of Transport Act.

11 MR. LALONDE:

12 Q. Now, I understand from your previous
13 answers also you were under the impression that this
14 request was made only because the pilots did not like
15 to cross the lock to board a ship. That was your
16 impression?

17 A. Yes.

18 Q. And the reason for this request?

19 A. Yes.

20 Q. Were you aware that the main reason
21 for the request was the fact that if a ship was in the
22 lock during night time, for instance, the pilot waiting
23 in the trailer would have a nap, for instance, or go
24 to sleep. There would be practically no means of
25 advising him that a ship was in the lock. Were you
26 aware of that?

27 A. Somebody mentioned this to me the
28 night before last.

29 Q. You were not aware of that before?

30 A. Not particularly but I don't know



1 whether that would have been justification for using
2 public funds to save a pilot not wakening up when he
3 goes to sleep.

4 Q. It might have ---

5 A. This is for the Commission to decide.

6 Q. It might have saved a ship waiting.

7 A. I think it is the pilot's responsi-
8 bility to be ready when the ship comes in.

9 Q. Carry an alarm clock with him?

10 THE CHAIRMAN: Any further questions
11 on this matter? You may go ahead, Mr. Jacques.

12 MR. JACQUES:

13 Q. Question No. 2, delineation of
14 spheres of responsibility for inquiries into casual-
15 ties occurring in the Seaway. Of course, when I
16 say Seaway I mean that portion of the waterways coming
17 under the jurisdiction of the St. Lawrence Seaway
18 Authority.

19 A. There are no definitely delineated
20 spheres of responsibility. In this regard, normally
21 if a pilot is involved in a casualty he makes his
22 report to the supervisor. He is required to do this.
23 If the casualty has occurred in the Seaway proper, that
24 is the improved portions, as they call them, or the
25 canal sections for which the Seaway Authority is
26 responsible, we may ask the Seaway Authority to make
27 available to us any information that may have been
28 obtained by its officers.

29 When the Seaway Authority has any
30 complaint to make about a pilot, his complaint is made



1 formally in writing and we go on from there.

2 Q. So the pilot would be, when he is in
3 the Seaway system, liable to answer to two distinct
4 Authorities say for a casualty?

5 A. Yes, that is covered in the bylaws
6 of -- well, for a casualty?

7 Q. Yes, inquiries into casualties?

8 A. Well, yes. I imagine they have
9 some provision in their regulations. I don't know,
10 about answering questions and so on. Naturally
11 they would have their reports from their own officers.

12 Q. There is no determining line stating,
13 for instance, that if a casualty occurs in the Seaway
14 proper an inquiry will be carried out by the Seaway
15 Authority and not by the Pilotage Authority?

16 A. NO, that is right because the Seaway
17 Authority would not be inquiring into the conduct of
18 the pilot. The Seaway Authority are establishing
19 what happened and in fact they hold the master respon-
20 sible, not the pilot.

21 Q. You assume that?

22 A. I think this is the case. If there
23 is a preliminary inquiry, of course, held by one of
24 our men, he has the power to call before him servants
25 of the Seaway to give information, to give evidence
26 of what they may have seen, if they have knowledge.

27 BY MR. BRISSET:

28
29 Q. Captain, has there been an instance
30 in the past where the Pilotage Authority would have



1 taken disciplinary measures against the pilot for
2 breach of the Seaway Regulations, for instance?

3 A. I do not recall any such case, Mr.
4 Brisset.

5 Q. In other words the penalty would be
6 always imposed by the Seaway Authority on the ship or
7 master of the ship?

8 A. That is correct.

9 THE CHAIRMAN: This is just a remark.
10 When I make these statements here and I make these
11 statements very often, these, mind you, are not
12 judgments. I stand to be corrected if anything is
13 wrong. I always prefer to speak up what I think or
14 what appears to me to be right and tell you what I
15 think rather than just keep it to myself and leave it
16 in the air, so therefore whenever I make statements
17 like that, if you do not agree with it, please say
18 so. This is not a judgment of the court.

19 I think it is much better if every-
20 body knows what we think even though it is a false
21 impression. I think it is much better that we say
22 what we think and what seems to be under discussion
23 but because I may use some kind of different language,
24 and so on, do not be impressed by that.

25 MR. JACQUES:

26 Q. Question No. 4 ---

27 A. Three.

28 Q. I am sorry, Question No. 3. Views
29 of the department on the Cornwall pilots piloting
30 between St. Regis and Snell. If you recall this is



1 that small portion of the district which lies in
2 United States territory?

3 A. Yes. This is admittedly an anomalous
4 situation but it is not any more anomalous than the
5 situation which has existed for thirty years in the
6 St. Lawrence -- almost thirty years, over twenty-five
7 years in the St. Lawrence-Kingston, Ottawa District,
8 the old St. Lawrence-Kingston-Ottawa District.

9 THE CHAIRMAN: Just to orientate
10 ourselves; this is prior to the division of a district
11 by the Department of Transport.

12 THE WITNESS: Prior to the division
13 of the area between Kingston and Montreal into two
14 districts, my lord, before the Cornwall District was
15 made.

16 THE CHAIRMAN: That was at the time
17 the Shipping Federation was providing the facilities
18 for organization.

19 THE WITNESS: No, my lord. I am
20 speaking of since 1936 when the St. Lawrence-Kingston-
21 Ottawa District was formed. The definition of
22 district limits was "Canadian waters of the River
23 St. Lawrence".

24 Now, it was impossible to get from
25 Montreal to Kingston without crossing and recrossing
26 the international boundary.

27 HIS LORDSHIP: Haro Strait problem.
28 The same thing as in British Columbia, the Haro Strait
29 problem.

30 THE WITNESS: Yes, my lord. More so



1 because a considerable portion of the route was in
2 United States waters. According to the letter of the
3 law then pilots were unlicensed pilots at that time
4 and this is a similar situation, not to the same extent
5 because it is only a matter of six or seven miles, I
6 believe, and this situation is unavoidable without
7 inconvenience to everybody concerned.

8 Now, in explanation of this, when the
9 St. Lawrence-Kingston-Ottawa District was abolished,
10 the River St. Lawrence between Montreal and Kingston
11 was divided into two parts. The lower part from
12 Montreal to Cornwall was to be a compulsory payment
13 district under Part VI of the Canada Shipping Act.

14 MR. JACQUES:

15 Q. Would you say that again, please?

16 A. It was to be a compulsory-payment
17 district.

18 Q. Montreal to Cornwall?

19 A. Montreal to Cornwall. This was to
20 be a district in which payment of pilotage dues would
21 be compulsory under Part VI of the Canada Shipping Act,
22 so this had to be done wholly within Canadian waters.

23 Unfortunately this meant that the
24 obviously desirable boarding station, Snell Lock, was
25 some miles beyond the district limits. There were
26 two courses open. (a) Adhere to the letter of the
27 law and subject the pilots of both districts to the
28 time-consuming, inconvenient and possibly sometimes
29 dangerous procedure of boarding and disembarking by
30 pilot boat in the vicinity of St. Regis where the



1 international boundary crosses the river and with
2 considerably increased cost to the ships, of course;
3 or (b) a countenance of the working arrangements
4 whereby Cornwall pilots would remain on board upbound
5 ships and take them into Snell Lock and would board
6 downbound ships in the lock. The latter was ob-
7 viously the more practical arrangement and it was
8 followed.

9 This is quite permissible under the
10 bylaws because a pilot may pilot beyond the limits of
11 a district with the permission of a supervisor.

12 Q. But he is piloting in American waters?

13 A. Exactly, but he is still under the
14 orders of his supervisor.

15 Q. Would he then not become subject to
16 American law?

17 A. Yes.

18 Q. He would?

19 A. Yes.

20 Q. In that particular stretch of water?

21 A. Yes.

22 Q. Has the department thought of enter-
23 ing into an agreement with the United States with
24 respect to protecting the rights of the pilots in
25 that stretch of water?

26 A. In what sense "protecting the rights
27 of the pilot"?

28 Q. Because according to Section 333,
29 subsection 3, of the Canada Shipping Act, every
30 licensed pilot who a c t s beyond the limits for



1 which he is qualified by his licence shall be con-
2 sidered an unlicensed pilot. Notwithstanding
3 anything that may be said in the bylaw, I don't
4 think he can go against the law.

5 A. No, this was done by agreement
6 with the Americans.

7 Q. Have you any agreement on file
8 somewhere?

9 A. This would come into consideration
10 on the Great Lakes Pilotage.

11 Q. Is it contained in the Memorandum
12 of the Agreement?

13 ~~A.~~ It refers to the boarding station.
14 The Great Lakes station is defined -- we are going on
15 to another area, my lord.

16 THE CHAIRMAN: Yes. If you think
17 this part is going to be dealt with when we get to
18 that, you will take note of that and we will resume
19 it when we get there.

20 THE WITNESS: May I put it this way.
21 is an
22 This/arrangement by agreement with the Americans.
23 I don't think that there will be any question of
24 the pilots' rights being in jeopardy in the matter.

25 MR. JACQUES:

26 Q. Well, it is subject to another law.
27 In any case you say there was an agreement between
28 the United States and Canada in respect of that par-
29 ticular point. Would you file the agreement when
30 we reach the Great Lakes pilotage question, please?

A. Yes. That is one of the things that



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1 will have to be placed in evidence.

2 MR. BRISSET: In working out the
3 tariff for that pilotage service between Montreal
4 and Snell Lock, has the department taken into con-
5 sideration the fact that the pilots were for some
6 distances piloting beyond their district?



1 THE WITNESS: I see not reason that
2 it should make any difference any more than it did
3 before.

4 MR. BRISSET: The reason I am
5 raising the question is that there has been evidence
6 before this Commission that the pilots were not being
7 compensated for this additional pilotage, and therefore
8 they were entitled to considerations in other sections.

9 THE WITNESS: Oh, this is a matter
10 of opinion. We feel that the total cost, the total
11 revenue, is what counts.

12 MR. BRISSET: You feel that they
13 are compensated for this additional pilotage?

14 THE WITNESS: I would say so.

15 THE CHAIRMAN: Any further questions,
16 Mr. Lalonde?

17 MR. LALONDE: What is the situation
18 of a ship travelling between Snell Lock and St. Regis
19 as far as pilotage is concerned? Foreign ships?
20 Are they subject to compulsory pilotage or compulsory
21 payment?

22 THE WITNESS: Subject to compulsory
23 pilotage.

24 MR. LALONDE: I see. And if you
25 take now the case of lake ships under registry other
26 than Canadian and U.S. registry -- we are coming to
27 this point -- this is subject to compulsory pilotage
28 also?

29 THE WITNESS: He is.

30 MR. LALONDE: I will let my friend



go on with the question.
MR. JACQUES:

Q. Question No. 4: Views of the Pilotage Authority on lake ships, non-U.S. or non-Canadian, travelling from St. Regis to Snell, either way, without pilots, and between Montreal and Cornwall without pilots?

A. The answer to that, of course, is that a laker registered in any of Her Majesty's dominions is exempt from the compulsory payment of dues if she doesn't employ a pilot in the Cornwall District, and so is an American lake ship. However, under the Canada Shipping Act ---

Q. Just a moment. You are going a little too fast. You say that a British registered laker is exempt from payment of pilotage dues between Montreal and Cornwall?

A. Correct.

Q. Have you your Cornwall bylaws before you? Would you point out the section where this exemption is made?

A. Exemption is not made in the Cornwall bylaws. It is in 346 of The Canada Shipping Act which is not modified in the bylaws.

Q. So it would be under 346, subparagraph (e), under steamships registered in any part of Her Majesty's dominions?

A. That is correct.

Q. Employed in a particular type of voyage; is that correct?

A. This is correct.



1 Q. Have you determined whether the
2 steamship is employed in that particular type of
3 voyage? The exemption is not to any ship registered
4 in Her Majesty's dominions. The exemption is for
5 steamships registered in Her Majesty's dominions
6 employed in certain specified voyages.

7 A. That is correct.

8 Q. In the case of non-U.S., non-Canadian,
9 but nevertheless British registered lakers, do you
10 ascertain the nature of the voyages in which they
11 are engaged?

12 A. Oh, yes, the supervisor is well aware
13 of this.

14 Q. Is he? How?

15 A. These are lake ships.

16 Q. Yes, but lake ships in the war went
17 down to Barbados and they are still lake ships.

18 A. If there is any complaint this is
19 checked upon surely. This is not a very good
20 question.

21 Q. Before the ship is allowed to pro-
22 ceed through the district is the master or the agent
23 requested to state to the Pilotage Authority the
24 voyage he is engaged in?

25 A. No, of course not.

26 Q. Then how do you know?

27 A. Because these ships are well known
28 by the people interested in pilotage. The supervisor
29 and the pilots. These are regular lake ships. They
30 don't go out of the lakes except down the St. Lawrence.



1 Q. So that ship might suddenly disappear
2 from circulation for a month or so and go down to
3 Barbados and come up and nobody checks? It is just
4 assumed that she is employed in those voyages; is
5 that correct?

6 A. Unless there is reason to believe
7 otherwise. This is not a practical question you are
8 asking.

9 Q. I think it is a good question not-
10 withstanding your opinion of it.

11 A. We have enough detectives watching
12 around for watching out for this kind of thing.

13 Q. You assume these ships are employed
14 on the voyages coming under Section 346?

15 A. Unless there is reason to believe
16 otherwise.

17 Q. But it is an assumption?

18 A. Oh, of course.

19 Q. It is not knowledge?

20 A. Literally speaking it is an assump-
21 tion. Practically speaking it is knowledge.

22 Q. Do you know or does anyone check
23 whether the steamships in question are employed
24 throughout the year in these waters or throughout the
25 season?

26 A. The same answer holds good. As
27 soon as one of these vessels goes away overseas then
28 her status is looked at very closely again.

29 Q. But would someone be under obligation
30 to advise you that she goes overseas or she has been



1 overseas?

2 A. Not formally, no.

3 Q. So could we sum it up by saying it
4 is assumed by the Authority that these ships are em-
5 ployed in voyages as specified in the Act and nobody
6 bothers to check whether it is true or not?

7 A. I objected to that when Mr. Brisset
8 used that term that nobody bothers. It is not a
9 question of nobody bothering. There are enough people
10 down in Montreal watching this point that we know that
11 if there is a case of this kind it will be brought to
12 our attention.

13 After all, we have many pilots inter-
14 ested in this, each of which is a detective on behalf
15 of the revenue.

16 Q. Yes. Well, we will raise that
17 point in another matter some time later whether the
18 pilots are interested in that or not, or should be
19 interested in that or not.

20 In any case, there is no standing
21 rule with respect to these ships. It is just assumed
22 that they are employed on these voyages and you just
23 hope that somebody is going to raise hell if the ships
24 suddenly go overseas or make a voyage which is not
25 covered by 346?

26 A. This is a job of the local supervisor
27 to watch this.

28 Q. But he has never been given any in-
29 structions?

30 A. No, he is not under any instructions.



1 He knows this is part of his job.

2 Q. So this is between Montreal and
3 Cornwall. Now, what about St. Regis to Snell?

4 A. What about it?

5 Q. These ships go through the Seaway
6 and they must go through from Montreal to Cornwall,
7 through Montreal-Cornwall District, and then when you
8 reach St. Regis you have another district, District
9 No. 1?

10 A. Correct.

11 Q. The Kingston District?

12 A. Correct.

13 Q. If there is not a pilot on board
14 from Montreal to St. Regis I assume, and I think I am
15 correct in assuming this, they go right on to Snell
16 from St. Regis?

17 A. Yes, correct.

18 Q. Without a pilot?

19 A. Yes.

20 Q. What is the view of the department
21 on that point?

22 A. There is a technical infraction of
23 U.S. law in that case.

24 Q. Has anything been done?

25 A. No, because it has been raised by
26 the U.S. authorities but it has not been followed up,
27 I assume because they know it would not be to the
28 advantage of anybody to follow it up.

29 Q. Perhaps. Just the same, as you say,
30 there is a continual technical infraction of a law?



1 A. That is correct.

2 Q. And this is allowed to continue?

3 A. Right.

4 THE CHAIRMAN: That bothered me
5 before, not only here, but we have the same thing
6 elsewhere, where a service has to be provided, and if
7 it is not provided by the Authority of course it
8 should be provided in a practical way, so it is not
9 because the pilotage water will stop at a line, that
10 they have to sit on that line to jump aboard the
11 ship when the ship crosses there.

12 I know in the American waters in
13 Puget Sound, for instance, it is compulsory pilotage.
14 Pilotage waters go to the boundary line, while the
15 pilot station is at Port Angeles, quite a few miles
16 to the side, so therefore otherwise they would be
17 obliged to have a pilot station sitting on the border
18 line and every ship coming there would have to take
19 this pilot there, so this is not practical.

20 I think the concept of compulsory
21 pilotage should come within reasonable means or should
22 be practical, so I think we do have another example
23 here.

24 MR. JACQUES: That question was
25 further raised by the witness himself some time ago,
26 I think, when we were discussing the local commissions,
27 where I think it was stated that sometimes there might
28 be little point in having geographical limits for a
29 district, precise geographical limits for a district.

30 Q. Now, you say there is a technical



1 infraction of U.S. law?

2 A. Correct.

3 Q. Is there a technical infraction of
4 Canadian law?

5 A. No, because it is in U.S. waters
6 except for one little point of the Canadian waters
7 which goes up into the channel at one place, at this
8 point they cross the border twice within a couple of
9 minutes, I imagine.

10 Now, when you are running ships,
11 one can't think of things like that.

12 Q. There is also a technical infraction
13 of Canadian law; is that correct?

14 A. Yes, but of the other Canadian law.

15 Q. Part VI-A?

16 A. Part VI-A.

17 Q. We are in District No. 1 so we must
18 commit ourselves to Part VI-A?

19 A. Yes.

20 Q. Would some of these ships proceed on
21 through the Kingston District without taking pilots?

22 A. I beg your pardon.

23 Q. Would these ships, non-U.S., non-
24 Canadian, but nonetheless we will say British lakers,
25 proceed from Cornwall to Kingston or to Cape Vincent
26 without pilots?

27 A. No, unless they are informed that
28 there is no registered pilot available.

29 Q. There is no known incident of one of
30 these ships just going through without a pilot?



1 A. Not as far as we know, no.

2 MR. LALONDE: You said the problem
3 had been raised by the American authorities?

4 A. Yes, it was brought to our attention.

5 MR. LALONDE: Yes. Did you answer?
6 Was it by writing?

7 THE WITNESS: I am not sure whether
8 it was in writing or just that we learned of it. I
9 am not sure now.

10 MR. LALONDE: Would you mind checking
11 and if there is any correspondence would you mind
12 bringing it?

13 THE WITNESS: I will look for it.

14 MR. JACQUES: I don't know, but I
15 think there was a similar question on the Great Lakes
16 question. It might come under Question 19.

17 MR. BRISSET: Captain, when you look
18 up the records to produce the letters you have been
19 asked to produce, will you also look into the question
20 to tell us whether this point was not raised by the
21 pilots of the lower section as a gimmick to force these
22 lake ships to take pilots in the lower section?

23 THE WITNESS: I will see if a letter
24 is there on this matter.

25 MR. JACQUES:

26 Q. Question No. 5: Was the problem
27 referred to in Exhibits 808 and 964 considered when
28 setting up District No. 1?

29 A. Would you mind telling me just what
30 the subject is there? If it has to do with the



1 possibility of U. S. pilots piloting ships below
2 St. Regis, I can say ---

3 Q. The employment of United States
4 pilots on the St. Lawrence Seaway System for one thing.
5 This is a memo dated January 22, 1964 -- I can't read
6 the signature. We don't know from whom to whom.
7 From J.S. to H.F. There is also another memo dated
8 December 30, 1963, to the Administrator, Eastern
9 Region, from the Chief of Operations.

10 Then there is a letter from Captain
11 Jones to the Acting Chief Operations Division, Immi-
12 gration Branch, Department of Citizenship and Immigra-
13 tion. It is dated November 29, 1963.

14 A. Just to fasten down the subject for
15 me, is this the employment of U.S. pilots below St.
16 Regis? Will you ask the Question 5 again?

17 Q. Question 5 refers, broadly speaking,
18 to American citizens taking ships down the St. Lawrence
19 River or up the St. Lawrence River between Montreal
20 and Cornwall.

21 A. And the question is was this en-
22 visaged when the district was set up?

23 Q. Yes.

24 A. No, it was not.

25 Q. Was it taken up with the U.S.?

26 A. That is Question 6, now?

27 Q. Yes, Question 6.

28 A. Well, the possibility, and again we
29 are speaking of actual complaints that American pilots
30 were piloting in the Cornwall District. That is what



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1 we are speaking of now?

2 Q. Yes.

3 A. Yes. The possibility of an approach
4 to the U.S. government was considered by External
5 Affairs.

6 Q. When?

7 A. Put to External Affairs.

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1 Q. When?

2 A. On December 11, 1963.

3 Q. December 11th, 1963, and that is
4 from DOT to External Affairs?

5 A. Correct.

6 Q. I imagine that is contained in a
7 memo exchanged between the two departments?

8 A. It is a letter to the Under-Secretary
9 of State for External Affairs signed by Mr. Baldwin
10 as Deputy Minister of Transport.

11 Q. Would you mind reading the letter
12 into the record, please?

13 A. "It will be appreciated if
14 you will bring the following matter
15 to the attention of the United States
16 government . . ."

17 My lord, is this all right? It is a letter from the
18 Deputy Minister to the External Affairs.

19 THE CHAIRMAN: Unless there is any-
20 thing ---

21 THE WITNESS: I do not think so.
22 I do not think it matters. It sets out the problem.

23 "It will be appreciated if you
24 will bring the following matter to the
25 attention of the United States govern-
26 ment in the hope that some pressure
27 may be brought to bear upon the
28 offending shipping company to put
29 a stop to what appears to be a fla-
30 grant flouting of Canadian law.



1 "The St. Lawrence River between
2 St. Regis and Montreal is a wholly
3 Canadian section of the river and com-
4 prises the Cornwall Pilotage District
5 under Part VI of the Canada Shipping
6 Act. As in other districts constituted
7 under Part VI of The Canada Shipping
8 Act there is no compulsory pilotage,
9 although there is compulsory payment
10 of pilotage dues whether a pilot is
11 employed or not, for ships that are not
12 exempted.

13 "Section 346 of the Canada
14 Shipping Act provides a special exemp-
15 tion for United States lakers so that
16 such vessels may pass through this
17 district without employing pilots and
18 without paying pilotage dues. On the
19 other hand, Section 354 provides in
20 subsection (3) that a person other
21 than a licensed pilot shall not act
22 as a pilot of a ship and that a master
23 of a ship shall not employ as a pilot
24 any person who is not a licensed pilot.
25 Section 356 provides a penalty for
26 infraction of either of the provisions
27 of subsection (3) of Section 354.

28 "It should be explained that in
29 The Canada Shipping Act the word "pilot"
30 means a person not belonging to a ship



1 who has the conduct thereof, and
2 "licensed pilot" means a person
3 who holds a valid licence as pilot
4 issued by a Pilotage Authority. It
5 is thus clear that when a vessel is
6 navigated through a pilotage district
7 by the master or one of the mates and
8 no outside assistance is employed, the
9 vessel is not being conducted by a
10 licensed pilot within the meaning of
11 The Canada Shipping Act, and the
12 Parliament of Canada enacted special
13 legislation to permit United States
14 lakers to be navigated through the
15 Cornwall Pilotage District by members
16 of their own regular complement.

17 "It has been reported to the
18 department that some United States
19 lakers proceeding through the District
20 have adopted the practice of taking
21 on board extra personnel at Snell Lock
22 when downbound and at St. Lambert Lock
23 when upbound and that there is every
24 reason to believe that such personnel
25 act as pilots. In fact, on more than
26 one occasion the persons concerned have
27 gained access to the Seaway property
28 at St. Lambert Lock at Montreal by
29 stating that they were going to pilot
30 the ships. However, upon a letter of



1 protest being sent to the owners of
2 the ships, the Pittsburgh Steamship
3 Division, United States Steel Corpor-
4 ation, Cleveland, Ohio, they replied
5 as follows: 'Please be advised that
6 the personnel of which you make mention
7 as boarding our vessels at St. Lambert
8 Lock for the purpose of performing
9 pilotage service, do not board for
10 that service; rather they attach
11 the vessel as Second Mate #2. In
12 this status they are helpful to the
13 master as he pilots his ship by
14 assisting other officers in doing
15 chart work as is necessary, acting
16 as radar observer, assisting other mates
17 on deck when approaching tie-up wall,
18 entering locks, locking and unlocking.'

19 "In spite of this explanation we
20 are of the firm opinion that these men
21 actually do perform pilotage duties on
22 board the ships in contravention of
23 The Canada Shipping Act.

24 "If this practice continues next
25 season the Department will be forced
26 to enlist the aid of the Seaway Authori-
27 ty in tying the ships up and delaying
28 them pending investigation, or we may
29 have to ask Parliament to revoke the
30 special exemption granted to United



1 States lakers. However, we would
2 hope that this might be avoided if
3 the United States government lent
4 its weight in urging upon the owners
5 of the offending vessels that they
6 must comply with the spirit and the
7 letter of the laws of Canada while in
8 Canadian waters."

9 It is signed by Mr. Baldwin.

10 Q. I see. This was in December, 1963;
11 is that correct?

12 A. Yes.

13 THE CHAIRMAN: I think the letter
14 was worth reading.

15 THE WITNESS: Thank you, my lord.
16 It was mine.

17 MR. JACQUES:

18 Q. We realize that sometimes the
19 Department of Transport can be tough. This was
20 in December, 1963, was it not?

21 A. Yes, sir.

22 Q. But this particular problem had been
23 raised with the department, it seems to me, several
24 years before -- I think since 1959. There have been
25 complaints since 1959 with respect to that problem.
26 Would you outline briefly what your department or any
27 other department of the government has done, say,
28 between September 24th, 1959, and December, 1963,
29 with respect to these alleged infractions of the law?

30 A. Well, I can put it briefly, that we



1 have tried to get evidence which would stand up in a
2 court of law and to date we have not been successful.

3 Q. What measures did you take? How
4 did you go about getting that evidence?

5 A. We had the local supervisor go down
6 there with Mr. Peruse, the pilot, and all the measures
7 that we could think of in trying to prove that these
8 men were piloting. We are advised by our legal
9 advisers that it has not been possible to do this yet.

10 Q. You mean to say that in all this time
11 you were not able to work up one good case?

12 A. This is correct. Perhaps you could
13 advise us how to do it, Mr. Jacques.

14 Q. Well, let us be a little more specific
15 about the way you thought that you might obtain evi-
16 dence. You said that the local supervisor went down
17 with Mr. Peruse at St. Lambert Lock. Surely they
18 both were not there for the whole four years. How
19 many times did they go down?

20 A. Oh, I do not know.

21 THE CHAIRMAN: I think we had
22 evidence on that.

23 THE WITNESS: I think this has
24 been beaten to death already. Surely you don't want
25 me to go all over this item by item?

26 MR. JACQUES:

27 Q. Captain, I don't want you to go over
28 this item by item. We have evidence from the local
29 supervisor and Mr. Peruse that they tried to do some-
30 thing.



1 A. On our instructions.

2 Q. Upon your instructions, but these
3 occasions were few and far between when they did that,
4 and this problem has been in your lap since 1959
5 according to a letter addressed to Mr. Alan Cumyn,
6 dated September 24th, 1959. There are several
7 incidents of infractions of the law which, according
8 to the opinion of the Deputy Minister in his letter of
9 December, 1963, were flagrant. He was convinced that
10 the law was being broken, and this has gone on for
11 four years. We have evidence that three or four
12 times he went down and tried to find out something.
13 Have you enlisted the aid of the RCMP? Have you
14 thought of enlisting the aid of the Seaway between
15 1963 ---

16 A. Of the Seaway?

17 Q. Yes. It is mentioned in the letter.

18 A. Yes, but you still have to prove
19 that these men are piloting. How are you going to
20 prove that this man standing beside the master of a
21 ship is actually piloting the ship?

22 Q. Yes . . .

23 A. I am afraid I am not prepared to
24 argue this point, my lord. This is a decision made
25 by the department and I am not going to argue right
26 here.

27 Q. Let us not assume; let us just try
28 to find out what the department has done besides
29 sending Mr. Peruse and the local supervisor to St.
30 Lambert. What has it done?



1 A. It has done everything it could
2 except have a Royal Canadian Mounted Policeman on
3 board the ship.

4 Q. You say it has done everything it
5 could; what has it done?

6 A. By trying to see the people who came
7 off and on the ships.

8 Q. Yes; that was said before in Montreal.
9 Apart from that, what has it done?

10 A. That is all. There is not anything
11 else you could do. We approached the owners of the
12 ships and they said the men were part of the complement
13 of the ship. There is nothing that we can see to
14 do at present.

15 Q. Do you know if there are similar
16 provisions under the American law as we have here
17 in Canada where an officer could be signed on for
18 several trips in home trade voyages?

19 A. No, we do not know that they have the
20 same kind of signing on procedure as we have.

21 Q. Have you checked that?

22 A. We have tried to find some way to
23 do that, yes.

24 Q. Have you requested External Affairs
25 to seek out perhaps an opinion on the comments made
26 by the ships' owners stating that these men were hired
27 as second mates #2?

28 A. External Affairs refused to take this
29 up with the American government. They said this was
30 an infraction of Canadian law and we should be able to



1 handle it. That is the help we got.

2 Q. That is the help you got from External
3 Affairs. Now there was mention about enlisting the
4 aid of the Seaway, and now it is 1964. Was that
5 thought of before December, 1963?

6 THE CHAIRMAN: To ask the Seaway
7 to help would be really like a lock-out if they are
8 going to stop the ships there. This cannot be done
9 to find the infraction, but just because the infraction
10 has been committed. I think they would have to know
11 the infraction had been committed and be able to
12 prove it. This action would only be a result; it
13 is not a help in finding out.

14 MR. JACQUES: My lord, we are
15 assuming, and I am going by what was read.

16 THE CHAIRMAN: Yes, that is what I
17 understand was read.

18 MR. JACQUES:

19 Q. Would you read that section again,
20 please?

21 A. This was just at the end of the letter:

22 "If this practice continues next
23 season the department will be forced to
24 enlist the aid of the Seaway Authority
25 in tying the ships up and delaying
26 them pending investigation; or we may
27 have to ask Parliament to revoke . . ."
28 etc.

29 Q. So that in December 1963 you suddenly
30 discovered that you could use the Seaway to tie the



1 ships up and investigate the matter?

2 A. Oh, excuse me.

3 Q. That is what you said in the letter.

4 A. We are suggesting that we may have
5 to ask them to do this. Whether they would be
6 willing to do it or not is another matter.

7 Before you ask -- there has been
8 nothing more done; that is that.

9 Q. What was that?

10 A. Before you ask, there has been nothing
11 more done on this.

12 Q. Since 1963?

13 A. Since this letter.

14 Q. Have you obtained an opinion on the
15 possibility of the Seaway tying these ships up and
16 carrying out an investigation? That is stated in
17 your letter; I imagine that before writing to External
18 Affairs someone would have checked on that point?

19 A. This was thought about but it was
20 obvious that this would merely be a way of, shall we
21 say, harassing these ships in order to try to make
22 them comply with the law. The decision was made
23 by the department that we would not attempt to do
24 this kind of thing.

25 Q. From 1959 to date the only steps
26 taken by the department with respect to what it is
27 convinced are repeated infractions of the law were
28 to send the supervisor and Mr. Peruse a few times down
29 to St. Lambert Lock to see who was boarding and who
30 was getting off?



1 A. You have very nasty ways of putting
2 things, Mr. Jacques.

3 Q. Thank you. Now we are still dealing
4 with Question No. 6. It was taken up with the U.S.
5 By the way, it was through External Affairs and it did
6 not go out of the country at all. It was just stopped
7 by External Affairs; is that correct?

8 A. This is correct.

9 Q. And this would not come under the
10 Great Lakes Pilotage Administration, would it, in some
11 way or other?

12 A. No.

13 Q. It is completely outside of the
14 scope of the Great Lakes Pilotage Administration?

15 A. As far as the Cornwall District is
16 concerned, yes.

17 Q. And it was taken up by shipowners
18 according to the letter which you have read?

19 A. Yes.

20 Q. It was, and this is the only incident
21 where it was taken up with the shipowners?

22 A. We wrote to more than one shipowner,
23 I recall, but the answer was the same in each case --
24 that these men were not piloting, they were merely
25 extra officers.

26 Q. Second mate #2?

27 A. Second mate #2.

28 Q. Or 20 or third mate #3. Will you
29 sometime later prepare a list of the shipowners to whom
30 you wrote together with the date of your letter and



1 stating briefly the nature of the reply, if any?

2 A. Very good.

3 MR. JACQUES: I do not think it is
4 necessary to file the whole correspondence.

5 MR. LALONDE: You said you got
6 legal advice from the department but you have no case
7 that would stand in a court of law. What evidence
8 did you give to the Law Branch?

9 THE WITNESS: Whatever the report
10 was that we received from the efforts of Mr. Peruse
11 and the other pilots concerned; whatever we had the
12 Law Branch saw it.

13 MR. LALONDE: In effect these reports
14 from the supervisor and Mr. Peruse were only for 1963?

15 THE WITNESS: I do not know this.

16 MR. LALONDE: Did you get legal
17 advice by writing or was it just informally?

18 THE WITNESS: Probably just infor-
19 mally, passing the file to them and asking them what
20 they think we could do.

21 MR. LALONDE: Do you remember if you
22 had meetings on the ways and means with the Law Branch
23 on how to stop this practice?

24 THE WITNESS: Formal meetings?

25 MR. LALONDE: Oh, yes.

26 THE WITNESS: We have had discus-
27 sions with the Law Branch, with members of the Law
28 Branch on this.

29 MR. LALONDE: You would not know
30 in what year you had these discussions?



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THE WITNESS: No. This has been
continuing.

MR. LALONDE: As far as you know
there would have been no meetings at which Minutes
would have been taken, for instance, on this particular
question as to ways and means by which the law could
have been applied?

THE WITNESS: No.



1 MR. LALONDE: You stated this year
2 nothing was done in this matter?

3 THE WITNESS: No, there has been
4 nothing done since we were told that we didn't have
5 any hope.

6 MR. LALONDE: You were told that
7 you should apply the Canadian law in Canada and not
8 ask the Americans to apply it for you?

9 THE WITNESS: Yes, more or less.

10 MR. LALONDE: Did you ever receive
11 any report from Mr. Melanson for instance to the effect
12 that an American person at St. Lamber Lock declared
13 before him he was going to pilot a ship that he was
14 boarding?

15 THE WITNESS: Yes, that is correct.

16 MR. LALONDE: And this was submitted
17 to your Law Branch and it was found that there was no
18 use -- this didn't help things at all?

19 THE WITNESS: That is right because
20 the Americans have, as you know, a different definition
21 of the word "pilot" from what we have. They consider
22 that a master is piloting a ship or a mate is piloting
23 a ship.

24 MR. LALONDE: Do you mean to say
25 that the view of your Law Branch here was the American
26 definition of pilot would have been applied if the
27 matter were to be taken before a court of law?

28 THE WITNESS: Not necessarily that
29 but this is the statement by this pilot that he was
30 going to pilot the ship -- this person that he was



1 going to pilot the ship and this would have been an
2 excuse on his part, no doubt.

3 MR. LALONDE: I think my friend
4 Mr. Jacques asked you to make a search of your file
5 to find out what records were made either directly
6 by the firms or by the U.S. government before this
7 letter to External Affairs in December, 1963; is
8 that correct?

9 MR. JACQUES: No.

10 MR. LALONDE: Would you check your
11 file to find out what developments occurred before the
12 first letters of complaint were received on this matter
13 and the letter of December, 1963; what steps were taken
14 by the department to apply the law or try to enforce
15 the law?

16 THE WITNESS: Yes.

17 MR. JACQUES: In connection with
18 that problem, might I draw your attention to the
19 evidence given by the Customs officer, the Immigration
20 officers in Montreal, a Mr. Fox, and according to
21 what he said if a man were a pilot he could just
22 report by telephone to the Immigration Office and
23 that would be all right; but on the other hand if he
24 were a crew member leaving a ship in Montreal, the
25 procedure was completely different.

26 THE WITNESS: This is correct.

27 MR. JACQUES: He would have to
28 sign off and what not. There was quite a lengthy
29 procedure involved. I am just wondering if you
30 could get in touch with the Immigration Department and



1 request them to produce the Articles before letting
2 that man ashore.

3 A. This is something we did discuss
4 with the Immigration Department. It was following our
5 discussion with them they gave evidence and I think
6 they described to the Commission what has been done
7 and the difficulties they were up against.

8 MR. LALONDE: My lord, I am very
9 interested in the whole story of how the exemption
10 came into effect in Cornwall. I suppose it may come
11 under DOT Table 58, following Question No. 4.

12 THE WITNESS: That will come in that.

13 MR. LALONDE: You will be prepared
14 to deal with it?

15 THE WITNESS: Oh, yes.

16 THE CHAIRMAN: Any further questions
17 on this subject?

18 MR. JACQUES: No, my lord.

19 THE CHAIRMAN: I was just wondering
20 whether the next subject is going to be a lengthy one.

21 MR. JACQUES: I do not know, my
22 lord. The question refers to the famous CARL
23 SCHMEDEMAN, which has been mentioned so many times in
24 the evidence. Will we go ahead with the question?

25 THE CHAIRMAN: Yes, we still have
26 five minutes.

27 THE WITNESS: Have you asked the
28 question?

29 MR. JACQUES: Yes.

30 A. The CARL SCHMEDEMAN was one of a



1 number of lake vessels owned and operated in Canada,
2 owned and operated in Canada, and manned by Canadian
3 lake crews but registered in the Commonwealth outside
4 Canada.

5 As the Great Lakes Pilotage legis-
6 lation exempts only lakers registered in Canada or
7 the United States these ships are subject to com-
8 pulsory pilotage when west of St. Regis. However,
9 they are exempt from the payment of dues in the
10 Cornwall District under Section 346 of the Act and
11 in fact they do not employ pilots there.

12 This meant that when a downbound
13 ship dropped her District No. 1 pilot at Snell Lock,
14 she was without a pilot and in technical infraction of
15 U.S. law for the few miles until she crossed the
16 Canadian border at St. Regis.

17 This was brought to our attention by
18 the U.S. Coastguard and we in turn brought it to the
19 attention of the owners concerned.

20 As far as we know the matter was not
21 followed up by the U.S. authorities.

22 Q. So that small stretch of water be-
23 tween St. Regis and Snell in fact is bothersome be-
24 cause there are several, you say, technical infractions
25 of laws on both sides?

26 A. This is correct.

27 MR. LALONDE: You stated that the
28 ship had a Canadian crew.

29 THE WITNESS: As far as I know she
30 had.



1 MR. LALONDE: Did you not state
2 that?

3 THE WITNESS: I said it, yes. I
4 am open to correction. I say this without looking at
5 the crew list of the CARL SCHMEDEMAN.

6 MR. LALONDE: It suggest you should
7 look at the list of the crew of the CARL SCHMEDEMAN
8 during the luncheon adjournment and see the Articles.

9 THE WITNESS: We would not have it.

10 MR. LALONDE: You would not have it?

11 THE WITNESS: I don't know whether
12 we would have it or not.

13 MR. LALONDE: Then on what basis do
14 you state it had a Canadian crew?

15 THE WITNESS: I took it that this
16 was one of these like the HINDMAN or REOCH, one of
17 those.

18 MR. LALONDE: For what reason did
19 you assume that?

20 THE WITNESS: I don't know. Is
21 this not right?

22 THE CHAIRMAN: Do you have any means
23 of checking that?

24 THE WITNESS: My lord, I should check
25 it. I say this without looking this up. I thought
26 this was one of the group of vessels -- I may be wrong.

27 MR. LALONDE: You also stated, I
28 think, that this ship was Canadian owned.

29 THE WITNESS: This is what I say.
30 Maybe this CARL SCHMEDEMAN -- maybe this answer is



1 wrong. If it is, I must apologize to the court.
2 I didn't have any doubt about it in my mind.

3 MR. LALONDE: Well, I suggest you
4 may take the lunch time for that.

5 THE CHAIRMAN: In case you do not
6 have time during the lunch hour, we will postpone this
7 answer.

8 THE WITNESS: Very good, my lord,
9 thank you.

10 THE CHAIRMAN: We will adjourn now
11 untill two-thirty this afternoon.

12 ---Luncheon adjournment.
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1 ---UPON RESUMING AT 2:30 P.M.

2 DIRECT EXAMINATION BY MR. JACQUES:

3 Q. Before we move on to question number
4 8, Captain, I believe you have a distinction to make
5 in connection with the previous question concerning the
6 CARL SCHMEDEMAN. I'm sorry, I am told that my friend,
7 Mr. Lalonde, has not finished his cross-examination.

8 A. I would like to speak first anyhow,
9 My Lord, if you don't mind.

10 THE CHAIRMAN: All right.

11 THE WITNESS: I would wish to retract completely
12 my answer to this question. I find that my answer was
13 based on an erroneous assumption which I prepared myself
14 without discussing with my colleague. I had no doubt
15 at all that I had the right information, but I would
16 like to have time to look into the matter further
17 before answering that question.

18 THE CHAIRMAN: That is all right.

19 MR. LALONDE: Then I may ask another question
20 which you may look into in connection with this particular
21 case: This is whether you were aware that a Canadian
22 Master from Hall Corporation was acting on board that
23 ship as a pilot.

24 THE WITNESS: We will look this up too.

25 MR. JACQUES: Q. Now, question number 8, details
26 of grounding of the ALSTERTAL with U.S. pilot on board,
27 22 July, 1960.

28 A. Yes. On July 20, 1960, the German
29 motor ship ALSTERTAL ran aground on Lake St. Francis with
30 an American pilot on board.



1 Q. Is Lake St. Francis within the
2 Montreal-Cornwall section?

3 A. Yes. It is what is referred to as
4 Coteau Lake. The situation at that time --

5 MR. LALONDE: I am sorry. I have learned that
6 among pilots and seamen, Lake St. Louis was called
7 Lake Lachine, and Lake St. Francis was called Coteau
8 Lake very, very frequently. However, the geography
9 remains.

10 THE WITNESS: At that time the situation was
11 that the old St. Lawrence-Kingston-Ottawa Pilotage
12 District was still in existence on a non-compulsory
13 payment basis. Even before the construction of the
14 Seaway it had been necessary, as already has been
15 mentioned today, for a ship to pass through U.S. waters
16 when going from Montreal to Lake Ontario.

17 The United States portions of the
18 route were, of course, increased later when the Seaway
19 was opened, but the piloting by Canadian pilots through
20 the American portions of the River had never been
21 questioned, and we had not questioned the right of
22 American pilots to act as pilots in the Canadian
23 sections of the River.

24 Q. I see.

25 A. Thus the grounding of the ALSTERTAL
26 was really a matter between the American pilot and the
27 Authority who issued him his licence.

28 Q. Did the Department carry out an
29 investigation because it occurred in Canadian waters,
30 and as such it would fall under -- what is the section of



1 the Act?

2 A. We didn't hold an inquiry into
3 this. It was a case of an American pilot and a foreign
4 ship, and we couldn't deal with the American pilot's
5 licence or anything like that, so it was not considered
6 our function to hold an inquiry.

7 You asked where did the pilot
8 board, and what was his nationality. He boarded at
9 Alexandria Point, stating that he had been instructed
10 by the vessel's agent to pilot the vessel. When the
11 ship was asked by radio if the customary change of
12 pilots was required at Snell lock, the answer was in
13 the negative.

14 This particular pilot gave
15 considerable trouble to the U.S. Coast Guard and later
16 to the Great Lakes Pilotage Administration, and his
17 licence has since been revoked.

18 Q At that time the District was
19 St. Lawrence-Kingston-Ottawa? It wasn't the Cornwall
20 District as it is known today?

21 A. Yes, My Lord, the setting up of
22 the District -- Cornwall District was set up on the 17th
23 of November, 1960.

24 Q. So the grounding occurred before
25 the District was split into two?

26 A. This is correct.

27 COMMISSIONER RENWICK: I wonder if that
28 had been a very serious marine tragedy instead of a
29 grounding, under what jurisdiction would the matter have
30 fallen, Canadian or U.S.?



1 THE WITNESS: It would have been within --
2 to put it another way, the Minister could have ordered
3 an investigation into it. But all that an investigation
4 can do is to deal with the certificates of the personnel
5 and so on. This was not a case of loss of life or
6 anything like that.

7 COMMISSIONER RENWICK: I was thinking of
8 the alternative where it might have been a disaster.

9 THE WITNESS: If it had been a disaster,
10 no doubt the Minister would have ordered an inquiry and
11 probably had a formal investigation into it. This is
12 envisaged under the Act although there is nothing to
13 say that an inquiry must be held as is the case in the
14 States.

15 MR. JACQUES: My Lord, the witness refers
16 to Section 551 of the Act which reads as follows, in
17 part:

18 "A shipping casualty shall
19 be deemed to occur

20 (a) when any ship is lost,
21 abandoned, stranded or damaged
22 in any of the inland waters
23 of Canada"

24 and Section 552 reads in part as follows:

25 "The Minister may order an
26 investigation to be made by
27 any person or persons into
28 the cause of any accident..."

29 Sections 553 and 555 of the Act.

30 COMMISSIONER RENWICK: Thank you.



1 CROSS-EXAMINATION BY MR. LALONDE:

2 Q. So that in August, 1960, Captain,
3 there was no compulsory pilotage dues in the St. Lawrence-
4 Kingston-Ottawa District?

5 A. No.

6 Q. Now, this particular pilot was
7 an American citizen. Did he hold any licence from the
8 Pilotage Authority in Canada?

9 A. No.

10 Q. The waters in which the accident
11 occurred were strictly Canadian waters, were they not?

12 A. Yes.

13 Q. This was completely inside,
14 below the border at St. Regis and Cornwall?

15 A. Yes. Right.

16 Q. Now, despite the fact there was
17 no compulsory payments of pilotage dues, there was
18 nevertheless a Pilotage District set up by the Pilotage
19 Authority between Montreal and Kingston at the time?

20 A. Correct.

21 Q. Isn't it a fact that under the
22 Act any person acting as a pilot must be a licensed
23 pilot under the Canada Shipping Act?

24 A. This is correct.

25 Q. So that in effect the particular
26 person involved in that accident was not a licensed
27 pilot under Canadian law?

28 A. This is correct.

29 Q. Were there any measures considered
30 or first of all, was it not in violation of the Canada



1 Shipping Act?

2 A. Strictly speaking, yes, but as
3 I explained just now, our pilots had never been
4 questioned on the American side of the border, and we
5 didn't question them on our side while that St. Lawrence-
6 Kingston-Ottawa District was in effect.

7 Q. Your view was that these principles
8 applied as far down as Montreal?

9 A. Yes.

10 Q. I understand that it is only
11 after a threat of stoppage of work that in November
12 a solution was found to the problem by creating two
13 different Districts; is that correct?

14 A. This was part of the agreement
15 or whatever it was with the Minister of Transport,
16 as you say, at that time.

17 Q. You are aware that this particular
18 practice of having American pilots piloting as far down
19 as Montreal has created many difficulties previously
20 in the past? Are you not? Even previous to July 22,
21 1960 the problem had arisen? In 1959?

22 A. I don't recall it, Mr. Lalonde.
23 Certainly we couldn't have taken any action on it while
24 our pilots were so free to pilot in the American waters.
25 DIRECT EXAMINATION BY MR. JACQUES:

26 Q. This was, I take it, a tacit
27 agreement? There had been no exchange of notes between
28 the two countries with respect to that?

29 A. This is correct, because we
30 were so obviously the gainers. The question had never



1 been raised, and we felt that our pilots were lucky
2 that it had never been raised, and we didn't want to
3 raise the question.

4 After all, we had a large number
5 of Canadian pilots who were acting as such in the
6 American waters of the St. Lawrence, and the number of
7 American pilots who were engaged in this was very, very
8 small as far as we knew.

9 Q. Would this privilege extend
10 to any other portions of our waters, say, in the Welland
11 Canal, Sault Ste. Marie?

12 A. There were no pilotage Districts
13 west of Kingston, so that was open waters to anybody.

14 MR. JACQUES: Thank you.

15 -----
16 CROSS-EXAMINATION BY MR. BRISSET:

17 Q. Were you aware at that time in
18 the summer of 1960 this particular pilot and a few
19 others were boarding downbound ocean ships, claiming
20 that their services had to be used?

21 A. We heard something about this,
22 yes, Mr. Brisset.

23 Q. Were you also aware that the
24 Shipping Federation had issued notices to its members
25 putting them on guard against these practices?

26 A. I believe I do recall that, yes.

27 DIRECT EXAMINATION BY MR. JACQUES:

28 Q. This brings another question to
29 my mind: The privilege applied both ways. An American
30 pilot could come to Montreal and take a ship down to,



1 say, Kingston?

2 A. Up to Kingston.

3 Q. And take a ship in Kingston up
4 to Montreal or down to Montreal?

5 A. Yes. This is so. We didn't
6 question the right of the American pilots to pilot in
7 the St. Lawrence between Kingston and Montreal.

8 Q. Either way?

9 A. Either way, because we were so
10 conscious of the fact that as long as the Kingston-Ottawa
11 District was on such shaky grounds in the first place.

12 Q. Question number 9 concerns an
13 undertaking, I take it, by the Minister to organize
14 an apprenticeship system in the Cornwall District by
15 1963?

16 A. This we understand was an
17 agreement by the Minister at the time of the strike in
18 1962.

19 Q. The undertaking is contained in
20 the letter dated April 13, 1962, addressed to Mr.
21 Lalonde by the Honourable Leon Balcer?

22 A. Yes.

23 Q. I have a translation here of
24 that letter, which was already filed in Quebec. I forget
25 the Exhibit number.

26 A. Yes. None of us were present
27 at this meeting. I am not able to speak exactly of
28 what the Minister intended, but in any case when we
29 raised the matter --

30 Q. Excuse me. When this letter was



1 signed you were not present. Therefore I take it that
2 it was sometime after April 13 that you became aware
3 of its contents?

4 A. Soon after, yes.

5 Q. With respect to the apprenticeship
6 system, of course, were you given instructions?

7 A. No, just to discuss it with the
8 pilots, and we put forward a first draft, you might say,
9 of the kind of thing that might serve in discussions
10 to start with the pilots.

11 However, the Royal Commission was
12 appointed then and all three ship owners and shipping
13 organizations protested against any such move pending
14 the report of the Royal Commission.

15 Q. You said "all three ship owners".

16 A. Yes. This is the Shipping
17 Federation of Canada, the Dominion Marine Association
18 and the Ship Owners' Association.

19 Q. Oh, I see; this is the third
20 one?

21 A. Yes.

22 MR. LALONDE: The Canadian Ship Owners'
23 Association?

24 THE WITNESS: The Canadian Ship Owners'
25 Association. They objected, so this of course caused
26 further consideration to be given to it.

27 MR. JACQUES: Q. What reason did they
28 give for holding this plan in abeyance?

29 A. They felt as they have felt all
30 along. To put it this way, they did not want an



1 apprenticeship scheme of the same kind as there is below
2 Montreal while there is a source of good pilotage
3 material, if there is, available from the Masters and
4 officers of lake vessels.

5 Q That was their main contention?

6 A. As we understand it, yes, and
7 we agreed in principle with this; but in any case,
8 owing to the statement of the Minister we have gone on
9 with talks with the pilots. The decision is not made
10 now, so I cannot talk any more about it. The matter
11 is now before the Pilotage Authority.

12 Q. So there is no decision taken
13 at the moment?

14 A. At the moment, no. If a decision
15 is made we are almost ready with appropriate by-laws.

16 Q. So am I right in assuming that
17 the machinery is in fact now set up and you are just
18 waiting for the approval to go ahead with the plan?

19 A. Yes. There is one factor which
20 is not at all agreed to yet. This is a desire of the
21 pilots that any new apprentice shall be bilingual in
22 the Cornwall District. I am not able to say any more.
23 We had good talks on this and we know where we stand,
24 but the decision has to be made now at the Minister's
25 level.

26 Q. Might I ask if the decision at
27 the moment has been to hold the thing in abeyance?

28 A. There has been no decision. We
29 are waiting momentarily for the final decision on this.

30 Q. Oh, I see; it is submitted to



1 higher authorities and you are still awaiting an answer?

2 A. This is it.

3 Q. Was there during the course of
4 your discussions with the pilots any representation
5 made in view of the fact that you are one year behind
6 schedule? The promise of the Minister was to have this
7 thing in operation by 1963.

8 A. Well, we have never been sure
9 that the Minister was aware of what he was saying --
10 whether he meant....No, that sounds bad. This is not
11 quite right -- whether he was meaning a recruitment
12 scheme. We do not know this.

13 Q. I am glad you qualified the
14 statement.

15 A. I must apologize to the Minister.
16 But there were none of us there and we are not sure
17 that he meant an apprenticeship scheme as it has been
18 down below, which is objected to by the ship owning
19 interests.

20 Q. But no reproach has been levelled
21 at the Pilotage Authority for failure to implement by
22 1963 the apprenticeship scheme?

23 A. By the pilots?

24 Q. Yes.

25 A. Oh, certainly there has.

26 Q. There has been?

27 A. Oh, yes.

28 MR. JACQUES: Thank you.

29 -----

30



CROSS-EXAMINATION BY MR. LALONDE:

Q. I would like to ask a question or two in connection with your statement that none of you were there and you do not know whether the Minister was referring to an apprenticeship scheme properly or -- what did you say?

A. Recruitment scheme.

Q. A recruitment scheme. You were aware that the Deputy Minister was present, were you not?

A. No, I was not.

Q. You were not aware?

A. No.

Q. I mean, present when this document was signed and approved.

A. No, I was not aware of that.

Q. You were also aware that Captain Jacques Gendron was present?

A. Yes, I knew he was there.

Q. Did you make a check with the Deputy Minister as to what was the understanding at the time when this thing was signed?

A. I did not ask him.

Q. Did you check with the Minister himself?

A. I did not.

Q. Did you check with Captain Gendron as to what was the understanding?

A. He felt it was the apprenticeship scheme.

MR. LALONDE: Thank you.



1 THE CHAIRMAN: If there are no further
2 questions on this, we will pass on.

3 MR. JACQUES: Those are all the questions
4 we have for the Cornwall District, My Lord.

5 THE CHAIRMAN: We will pass on to general
6 river problems now.

7 -----

8 CROSS-EXAMINATION BY MR. LALONDE:

9 Q. Before my friend proceeds with
10 the general river problems, Captain, have you been
11 able to obtain information concerning the various
12 appointments in the Quebec District of pilotage officers?

13 A. Mr. Lalonde, just what was the
14 information you want?

15 Q. When the various officials in
16 the Pilotage District of Quebec retired and when they
17 were replaced over the last three or four years?

18 A. The dates of retirement of Mr.
19 Albert Hamel -- his retirement was effective December
20 23rd, 1961, but his retiring leave started on June
21 23rd, 1961.

22 Q. Is it not a fact that Mr. Hamel
23 became sick on April 13th, 1961 and that he sent in his
24 resignation on April 30th, 1961?

25 A. I do not know. He may have been
26 away. I do seem to recall that he was ill before that,
27 but I am giving the official dates of his retirement.
28 He may have been on sick leave before that, you see.

29 Q. I see, and you would not know
30 from this document you are reading how long he was absent



1 before being granted retirement?

2 A. No, but I appreciate what you
3 are thinking of and I agree that he was absent for
4 quite a time. I do not suppose the actual date is too
5 relevant, but I could find it out if you want it.

6 Q. You have as a retirement date
7 again?

8 A. He went on retiring leave on
9 June 23rd. This was when the records show that his
10 retiring leave started.

11 Q. I am referring here to information
12 which I obtained from Mr. Menard in Quebec myself; that
13 is, that Mr. Hamel became sick on April 13th and
14 resigned, it is said here, on April 30th, 1961.

15 A. I do not recall it in those terms.
16 He might have informed us as of that time that he would
17 not be back and then he would use his sick leave and
18 so on and accrued credits.

19 Q. In view of the fact that our
20 figures do not seem to correspond and we have the same
21 problems with other officials, I think we had better
22 get in touch during the adjournment.

23 A. These are just the actual dates
24 of this particular kind of leave, you understand?

25 Q. Well, you have that for the other
26 people? We have Mr. Hamel.

27 A. The date of appointment of
28 Captain Allard?

29 Q. Please.

30 A. September 25th, 1961. Captain



1 Allard resigned effective May 1st, 1963.

2 Q. Yes?

3 A. And the date of the appointment
4 of Captain G. Lahaye was September 23rd, 1963. The date
5 of appointment of Captain Deroy as Officer in Charge
6 of Les Escoumains was June 30th, 1964. The date of
7 appointment of Captain Gendron as Investigations Officer
8 at Ottawa was December 12th, 1961. He resigned on
9 July 15th, 1963. The date of appointment of Captain
10 Catinus as Regional Superintendent of Pilots at Montreal
11 was June 25th, 1962 and the date of appointment of
12 Captain Catinus as Investigations Officer at Ottawa
13 was April 13th, 1964.

14 There was one other you asked
15 about -- Captain Desrosiers. His transfer to the Quebec
16 Office from Les Escoumains was January 1st, 1963.

17 Q. So we have it that at Les Escoumains
18 there was no, let us say, resident officer in charge
19 between January 1st, 1963 and June 30th, 1964 when
20 Captain Deroy was appointed?

21 A. This is correct.

22 MR. JACQUES: Is it not a good indication
23 that the position was superfluous?

24 THE WITNESS: Not to us, Mr. Jacques. I
25 know that this is what my friend is aiming at, but this
26 is not the case.

27 MR. LALONDE: I object very strongly to
28 such implications being attributed to me.

29 THE CHAIRMAN: Should this be the case it
30 would be the case of many Civil Service employees because



1 from what we have heard there has to be an examination
2 or competition, so it might take weeks before it is
3 finished. Therefore it means that this is a necessary
4 delay when there will not be anybody there.

5 THE WITNESS: During that period, My Lord,
6 we did have the Chief Dispatcher, I suppose, Mr.
7 Goulet, acting as Officer in Charge.

8 MR. LALONDE: Q. And during the same year
9 of 1963 they had no Superintendent in Quebec for the
10 period going from May 1st, 1963 to September 23rd,
11 1963 also?

12 A. This is probably correct. I
13 have not checked the dates on that.

14 Q. And we have had that position of
15 Regional Superintendent vacant since April 13th, 1964?

16 A. Yes.

17 -----

18 CROSS-EXAMINATION BY MR. BRISSET:

19 Q. Captain, all these new
20 appointees, Captain Lahaye and Captain Deroy, are Master
21 Mariners, I understand, fully familiar with ships and
22 how they are run and so forth?

23 A. Yes.

24 Q. And for instance able to make an
25 on-the-spot investigation in the case of an accident if
26 the matter has to be investigated quickly?

27 A. Yes.

28 Q. This was a situation that did not
29 exist before when Mr. Hamel and Mr. Desrosiers were in
30 Escoumains and Quebec respectively?



1 A. Captain Deroy was a mariner. He
2 had, I think, a Home Trade Master's certificate; but
3 we did not use him for this kind of inquiry.

4 Q. Would it be fair to say that the
5 position of Regional Superintendent has now been
6 abolished because those appointed as Superintendents
7 are now better qualified than those who were there
8 before?

9 A. No, Mr. Brisset. This has not
10 been abolished. We are trying to fill it. Competition
11 is at present under way.

12 Q. You still feel the need for a
13 Regional Superintendent?

14 A. Oh, yes. We still feel the need
15 of some decentralization.

16 -----
17 CROSS-EXAMINATION BY MR. LALONDE:

18 Q. Before we proceed to general
19 river problems I have a point which I would like to
20 raise in connection with the Montreal-Cornwall District,
21 and this has to do with unauthorized pilots on vessels
22 exempt from pilotage in the District. I refer here in
23 particular to Canadian lake vessels with persons acting
24 as pilots on board. May I ask a question in this regard?

25 Do you remember having had
26 complaints to the Authority in that respect over the
27 last few years?

28 A. Yes, from time to time we have.

29 Q. I do not suppose you are in a
30 position to inform me as to what steps were taken by the



1 Department?

2 A. I am speaking from memory and I
3 find my memory is not as good as it was. But we were
4 in touch with the owners on this.

5 Q. Yes. When Captain Edwards was
6 in the box in Montreal we asked him to provide me with
7 the information he had in this respect and I have been
8 provided with a bundle of correspondence between
9 Captain Edwards and Captain Jones in connection with the
10 Upper Lakes Shipping Company. Would you tell me whether
11 you have been made aware of that correspondence?

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1 A. Yes, I am aware of this correspond-
2 ence in general, yes.

3 Q. Would you have a check whether
4 you have further correspondence in your files on this
5 particular matter?

6 I would like to file this bundle
7 as Exhibit No. 1347, and it will be entitled correspond-
8 ence between Captain J. A. Edwards and D. R. Jones
9 concerning pilotage of Upper Lakes ships between June
10 27 and September 21, 1962.

11 ---EXHIBIT NO. 1347: Correspondence between Captain
12 J. A. Edwards and D. R. Jones
13 between June 27 and September 21,
14 1962.

15 Q. Now, I notice that the latest
16 document is a memorandum from Captain Jones, signed
17 by Captain Seeley for Captain Jones, concerning a
18 C.S.L. ship called FORT CHAMBLY:

19 "We refer to your teletype
20 today, September 21, relative
21 to Captain Coleman on board
22 the FORT CHAMBLY as pilot
23 while the ship was proceeding
24 from Oswego, N.Y. to Montreal.

25 Captain Coleman has
26 entered into a time agreement
27 with Canada Steamship Lines
28 to serve in any one of 15
29 ships and the FORT CHAMBLY
30 is one of the ships named.
This agreement is in accord-



1 ance with Section 173(d) of
2 the Canada Shipping Act, and
3 Captain Coleman is therefore
4 a member of the crew.

5 We enclose a copy of
6 Form 82-0515 'Special Time
7 Agreement for Seamen in Home
8 Trade, Inland or Minor Waters',
9 for your information."

10 Now, this statement here is to the effect
11 that this gentleman was signed on 15 ships. Is it the
12 view of the Department that according to the Canada
13 Steamship Act a man can be signed on as many articles
14 as he may wish?

15 A. Oh, he wouldn't sign on that
16 number of articles. This takes the place of the articles
17 of agreement. It is a special time agreement.

18 Q. So that in effect under this
19 special time agreement a man could sign to serve on
20 all the ships of a company, for instance, for a year or
21 two years?

22 A. This is correct.

23 Q. And he could be switched around
24 from ship to ship during that period on every trip,
25 for instance?

26 A. Yes. As far as we are advised,
27 this is what the Act provides.

28 Q. And that man, for instance, could
29 act in effect, in practice could act as a pilot on
30 board that ship provided he was signed as extra Master



1 or second mate number 2?

2 A. Or navigating officer. Anything.

3 Q. And there would be nothing at

4 all you could do in that respect?

5 A. We are informed, no.

6 Q. I presume that these special
7 time agreements must be registered with you in Ottawa;
8 is that correct?

9 A. They would have to come to us.
10 I am just checking to see when they should come to us,
11 whether before or after the fact. This is an inland
12 water ship.

13 Q. Yes?

14 A. The articles are not signed in
15 duplicate.

16 Q. Yes?

17 A. In that case we wouldn't have a
18 copy of this until the closing of the articles. All the
19 articles are supposed to come to us after they are
20 closed.

21 Q. You mean to say that this special
22 time agreement would come only after the closing of the
23 articles?

24 A. I think so.

25 MR. JACQUES: I am sorry to interrupt. You
26 are referring to the agreement which a ship owner may
27 conclude to have his crew members serve on different
28 ships?

29 THE WITNESS: Yes, this is a special --
30 under 173, Mr. Jacques, if you would like to refer to it.



1 MR. JACQUES: I understand that the
2 procedure usually followed for agreements is followed in
3 that case too, and men are signed on before the shipping
4 Master, the shipping Master retains copy of the agreement,
5 and one agreement is carried, is with the owner, and
6 then when it expires it is returned to the shipping
7 Master?

8 THE WITNESS: No, Mr. Jacques. This
9 applies in the case of a Home Trade ship. A foreign-
10 going ship, of course -- on inland waters the Master
11 may open his articles himself, not before a shipping
12 Master, and there is only one copy. So we don't see
13 the articles of inland waters ships until the end of
14 the season, until the close of the article.

15 In this particular time agreement
16 I see there is a note at the bottom of it here that a
17 duplicate of this agreement must be forwarded to the
18 Minister of Transport, Ottawa, Canada, within 48 hours
19 after it has been entered into.

20 MR. LALONDE: Q. Once again, if I under-
21 stand the situation correctly, you have shipping firms
22 engaged in the Home Trade, inland or minor waters trade,
23 signing people who could act as pilots in effect while
24 appearing, as you call them, as navigators and whatnot,
25 without breaking the law at all?

26 A. This is correct.

27 Q. Now, I presume there are no
28 special requirements before entering into these special
29 time agreements from the Department of Transport, like
30 a medical examination and that type of thing?



1 A. Oh, no.

2 Q. Provided a man has a certificate
3 there is no further problem involved as far as the
4 Department is concerned?

5 A. As long as he has the requisite
6 certificate of competency for the position he is
7 supposed to be holding.

8 Q. I presume when a seaman or
9 officer signs an agreement like this one the Department
10 must be informed as to how many ships he may be called
11 upon to serve on?

12 A. I believe they have to be named
13 there, Mr. Lalonde. Are they not named on the back?

14 Q. Yes, that is right. Would it be
15 possible to obtain a copy or a photocopy of the
16 special time agreements which you now have in the
17 Department of Transport?

18 A. All of them? I don't know how
19 many there are.

20 Q. Well, all those which have been
21 in existence for the last two years, we will say?

22 A. I think so, yes. This is public
23 property.

24 MR. JACQUES: May we have a few minutes,
25 My Lord?

26 THE CHAIRMAN: We will adjourn for a
27 few minutes.

28 ---SHORT RECESS.

29 DIRECT EXAMINATION BY MR. JACQUES:

30 Q. I believe you looked up the



1 relevant sections of the law with respect to the signing
2 on and off of crew members on inland water ships. Would
3 you sum it up for the benefit of the Commission, please?

4 A. Yes. My Lord, the meat of it
5 is when we are speaking of ships of normal size, over
6 50 tons, a foreign-going ship must be signed on or
7 paid off in front of a shipping Master.

8 A Home Trade ship must be signed
9 off before a shipping Master, but he may be signed
10 on without the services of a shipping Master. But the
11 Home Trade man, the Master of the Home Trade ship must
12 follow the rules just the same, and he must forward
13 a copy of his articles to the Department when he signs
14 on.

15 In a case of an inland water
16 ship, the Master may sign on himself or pay off, sign
17 off himself, as long as he follows the rules, and in this
18 case there is no duplicate copy.

19 -----
20 CROSS-EXAMINATION BY MR. LALONDE:

21 Q. From this is it fair to conclude
22 whatever documents you might have in the Department as
23 special time agreements would not necessarily give us
24 the total number of persons who signed a special time
25 agreement?

26 A. No. Excuse me, what I said does
27 not apply to the special time agreements. In the case
28 of special time agreements as noted at the bottom of the
29 form, a copy must be forwarded to the Department within
30 48 hours after entering into the agreement.



1 Q. In all cases?

2 A. In all cases.

3 DIRECT EXAMINATION BY MR. JACQUES:

4 Q. Now, if we may, we shall attack
5 the general river problems. The first question requests
6 the point of view of the Department on what I call
7 charges levelled against it in a letter dated September
8 2, 1960. Would you place that letter before you, please?

9 A. That letter was replied to, Mr.
10 Jacques, I believe, by the Minister. Has the reply not
11 been filed?

12 Q. We will skip question #1 and
13 pass on to question #2.

14 A. I don't feel I should have
15 anything to do with what the Minister had said. This
16 is the reply to the brief.

17 THE CHAIRMAN: So the reply is there?

18 THE WITNESS: The reply is there on file.

19 THE CHAIRMAN: That is all right.

20 MR. JACQUES: Q. Question #2, where and
21 when and how was the agreement of October 13, 1960
22 negotiated and signed by the Minister of Transport?

23 A. I think the representatives
24 of the Federation of St. Lawrence Pilots and their
25 counsel, Mr. Marc Lalonde, met with the Minister, the
26 Honourable Mr. Balcer.

27 Q. Here in Ottawa?

28 A. On October 13, 1960. Yes, in
29 Ottawa. And reached general terms of a settlement
30 which are contained in Mr. Balcer's letter to Mr.



1 Lalande of October 18, 1960.

2 Q. And precisely would you know --

3 A. This is on file, I believe.

4 Q. Would you know who attended that
5 meeting?

6 A. No.

7 Q. You were not there?

8 A. I was not there, and there is no
9 copy on file of the document which was referred to
10 by Mr. Bedard in his evidence as being a signed agreement.
11 Mr. Lalande says he has the original.

12 MR. LALONDE: Has it not been filed?

13 THE WITNESS: No. You said you had it,
14 Mr. Lalande, but we haven't it on our files.

15 MR. JACQUES: I am instructed that Mr.
16 Lalande will supply us with the original of the
17 agreement, My Lord.

18 THE CHAIRMAN: Thank you very much.

19 MR. JACQUES: Q. Question #3, during
20 the 1960 negotiations at any time were the ship owners
21 present?

22 A. The ship owners' representatives
23 did meet with the officials of the Department of
24 Transport and with the Minister to discuss the demands
25 of the pilots, but they were not present when the
26 Minister met with the pilots on October 13 and November
27 7, 1960, when the terms of the settlement with the pilots
28 were reached.

29 The Shipping Federation was sent
30 a copy of the Minister's letter to Mr. Lalande, dated



1 October 18, 1960, which set out the terms of settlement.

2 Q. Do you recall if the ship owners
3 were at any time requested to attend meetings where
4 pilots were present?

5 A. I don't recall whether they were
6 in that particular context. I don't recall.

7 Q. Do you recall if the pilots were
8 requested to attend meetings where the ship owners had
9 been called?

10 A. Again I don't recall in this
11 particular context. We have had meetings, of course,
12 over the years, joint meetings, many of them. I don't
13 remember whether in this particular context.

14 Q. Particularly in 1960, let's
15 say, immediately prior to October 13, 1960. We were
16 told that the parties never met in the same office
17 to have joint discussions.

18 A. This is quite possible.

19 Q. They crossed outside the Minister's
20 door?

21 A. This is possible.

22 Q. Do you know if this happened
23 because each party was not called to a meeting or
24 because they declined to attend a meeting where the
25 pilots and ship owners would be?

26 A. I don't recall that anybody
27 declined. I don't know. So much of these negotiations
28 is done by telephone and so on without proper record
29 that I can't recall the exact circumstances.

30 Q. With respect to Bill C-80 and



1 C-98, would you care to add anything to what has
2 been said as reported in Hansard?

3 A. No.

4 Q. Or reports of the Senate?

5 A. No.

6 Q. In your opinion this is a complete
7 picture of, say, not negotiations but the facts which
8 surround those two Bills?

9 A. Yes. We are not supposed to
10 discuss with anybody a Bill before it is placed before
11 Parliament. This is the rule, that the first public
12 news about a Bill is when it is placed before Parliament.

13 Q. I realize that, but apart from
14 what has been mentioned or what has been reported in
15 Hansard, would you care to add anything?

16 A. Oh, no. I think it was very
17 thoroughly covered there.

18 -----

19 CROSS-EXAMINATION BY MR. LALONDE:

20 Q. Did you read the Hansard and
21 Reports of the Senate Committee lately about Bill C-80
22 and C-98?

23 A. No. I haven't had time, Mr.
24 Lalonde.

25 Q. As a matter of fact, when did
26 you read it last time?

27 A. Not since the event.

28 Q. You are still in a position now
29 to state regarding these Bills, which go back a few
30 years, although you did not read back the evidence before



1 the Committee of the Senate that there is nothing to
2 add?

3 A. I have nothing to add to it.

4 Q. You know one of these two granted
5 exemptions to the American lakers in the Cornwall District?

6 A. Yes.

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1 MR. LALONDE: Can you tell us under
2 what representations this advantage was granted or
3 this concession or whatever you want to call it?

4 THE WITNESS: No, I cannot comment on
5 that, but I do believe that the pilots were aware it
6 was going to be done beforehand, and they were not told
7 by me.

8 MR. LALONDE: They were not told by you?

9 THE WITNESS: No.

10 MR. LALONDE: So you don't know whether
11 they were aware or not?

12 THE WITNESS: I understood they were
13 told by somebody.

14 MR. LALONDE: That is hearsay. My
15 question is, then: How did this concession come
16 about as far as the Department was concerned?

17 THE WITNESS: My Lord, I cannot explain
18 this matter. I cannot go back now and explain actions
19 of the Government and this should not be asked of me.

20 MR. LALONDE: Well, the Department --

21 THE WITNESS: This is a decision of the
22 Government, not the Department.

23 MR. LALONDE: Was it not a decision of
24 the Department to begin with?

25 THE CHAIRMAN: He cannot appeal from the
26 Government.

27 THE WITNESS: The Government does not
28 come out of the air. It has to come from somewhere
29 but it is not within my province to comment on the
30



1 actions of the Government.

2 MR. LALONDE: I am not asking you to
3 comment on their actions, whether it was a good or bad
4 decision. I want to know whether there were any
5 representations from anybody to have such exemptions
6 in the Act.

7 THE WITNESS: I still don't think that
8 I should answer it. If you want to have an answer
9 to that question, you will have to get a Deputy Minister
10 or somebody or the Minister.

11 MR. LALONDE: This can be obtained
12 from the files. I am sure I don't think we need
13 the Deputy Minister in that respect.

14 THE CHAIRMAN: Or his authority to
15 answer?

16 THE WITNESS: The files are open to the
17 Government, not to the public.

18 MR. LALONDE: I am acting here for the
19 Commission, that is all, trying to elicit information
20 for the Commission.

21 THE WITNESS: The Commission is quite
22 capable of getting that information.

23 MR. LALONDE: Well, I make a formal
24 request, My Lord, that that information be obtained.

25 THE CHAIRMAN: Yes.

26 MR. LALONDE: What representations were
27 made in connection with the granting of the exemption
28 from the compulsory payment of pilotage dues to
29 American lake ships in the Cornwall district?
30 I think this point is important in several respects.



1 The Cornwall district is not part of the Great Lakes
2 Basin agreement, Part 6A, and it would seem that this
3 exemption was granted as a very different -- quite
4 apart, I would say, from the Great Lakes Basin agreement.
5 There is nothing at all in the Great Lakes Basin
6 agreement relating to the Cornwall district.

7 I think it is a pretty important thing,
8 how such decisions are made. I am sure that the
9 pilots did not make any such representations. I
10 have little doubt that the Shipping Federation did
11 not make any such representation. The Canadian Ship
12 Owners certainly did not and I suspect that the
13 Dominion Marine did not make any representations either.

14 I have never been able to find out how
15 this came about and what was the reason for that.
16 I think it is a pretty important point.

17 THE CHAIRMAN: I think it is important
18 also for the Commission to find out whether there
19 are other factors than those you intimate that would
20 speak in favour of such an amendment of such exemptions.

21 MR. LALONDE: There may be valid reasons
22 except I --

23 THE CHAIRMAN: So, Captain Slocombe,
24 could you try to find out whether there is anybody
25 in the Department that could be entitled to speak on
26 that?

27 THE WITNESS: Yes, My Lord, I will.

28 THE CHAIRMAN: If not, then we will
29 have to find some other means.
30



1 THE WITNESS: Or, we could present you
2 with the files.

3 THE CHAIRMAN: Yes.

4 MR. JACQUES: Yes. If not, My Lord, I
5 think that the file should be at this stage, handed
6 over to the Commission for perusal.

7 THE CHAIRMAN: First I would prefer,
8 if at all possible that evidence be given to that
9 so that the people who are involved in that were
10 interested in the question otherwise I don't know
11 exactly what is going to happen with the information
12 that we have not received in a public way and that
13 we may take cognizance of, but on the other hand,
14 we cannot use in our report because it is in the public
15 interest not to divulge it.

16 MR. JACQUES: May I ask the witness
17 if he would be able to give us the answer tomorrow?
18 Tomorrow is Friday and would be the last day the
19 Commission is sitting this week, of course, and in
20 view of the fact we are beginning a study of the
21 Great Lakes Pilotage on the 19th, which is Tuesday
22 next.

23 THE WITNESS: Tuesday?

24 MR. JACQUES: Yes.

25 THE SECRETARY: The 19th of October.

26 MR. JACQUES: Oh, I am sorry.

27 THE SECRETARY: If I might construe
28 what perhaps Mr. Jacques was trying to put across to
29 the Commission, perhaps this matter could be deferred
30 to October 19th when the Department of Transport will



1 appear before you to give evidence in connection with
2 pilotage on the Great Lakes and it is in connection
3 with pilotage on the Great Lakes that the question
4 has been raised.

5 THE CHAIRMAN: Yes, but we would like
6 to know as soon as possible, maybe not tomorrow, as
7 to whether there will be a witness to that effect or
8 not. This is what we wish to know.

9 MR. LALONDE: I submit, My Lord, we
10 should not wait until we get to the Great Lakes problem
11 if the witness can come sooner.

12 THE CHAIRMAN: No, no longer than next
13 week. The Department of Transport is scheduled for
14 the 1st of October.

15 MR. JACQUES: Q. Question No. 5: Any
16 record or recollection of an offer by the pilots to
17 take over the collection of dues?

18 A. This may have been mentioned in a
19 casual conversation but we have no record of any offer
20 by the pilots to do this.

21 Q. There was never at any time an offer
22 made by the pilots to take over that duty?

23 A. Not that I can recall.

24 Q. Question NO. 6 is a rather long
25 question. It refers to the events leading up to the
26 strike in 1962. I think we can forget about the
27 four and a half per cent question that has been
28 discussed at length some time ago.

29 A. Well, of course, this whole story has
30 been related in detail both by the Shipping Federation



1 and by the pilots themselves in evidence but I have
2 here a chronological record. I think it may serve
3 the purpose.

4 September 15, 1961, the original letters
5 were sent to all pilotage districts re disposal of
6 excess revenue, so called. On February 20th 1962,
7 a second letter on the same subject to Captain Rousseau
8 in Quebec and this four and a half per cent was
9 explicitly mentioned. On February 26th --

10 MR. LALONDE: Who else did that go to?

11 THE WITNESS: That was the only one
12 that had any mention of the four and a half per cent.
13 There was a letter went to St. John, New Brunswick
14 with a different figure.

15 MR. LALONDE: Only the two?

16 THE WITNESS: Yes. February 26th and
17 27th, 1962, this was the date of the joint meeting
18 with the pilots.

19 MR. JACQUES: Q. Do you have a list of
20 the people who attended that meeting?

21 A. These were joint meetings attended
22 by the Shipping Federation of Canada, the Ship Owners
23 Association and the Dominion Marine Association as
24 well as the pilots for each of the districts and
25 the representatives of the Federation, of the Pilots'
26 Federation, as I recall. Each of the pilots'
27 committees of each of the districts were taken in turn
28 in these two days.

29 Q. Who was there on behalf of the
30 Department? I don't want names. I want titles,



1 if you don't want to give the names?

2 A. I am not just sure at the moment
3 whether Mr. Booth was there or not. Mr. Cumyn --

4 MR. LALONDE: No, Mr. Booth was not
5 there, if I may give evidence. I was there. Mr.
6 Booth was in Montreal only once.

7 THE WITNESS: Mr. Cumyn was there.
8 Captain Jones, myself and Captain Gendron, I think at
9 least.

10 At this meeting, briefs from each of
11 the St. Lawrence Districts which had been received a
12 few days before were discussed.

13 Then on March 7th 1962 the St. Lawrence
14 Districts protested against the proposals re excess
15 revenue.

16 On March 12th Mr. Langlois wrote on behalf
17 of the Canadian Merchant Service Guild.

18 MR. JACQUES: I don't believe we have
19 that letter in the record. Would you supply us with
20 a copy of Mr. Langlois' letter of March 12th?

21 A. Yes. That one was on behalf of
22 the Merchant Service Guild and on behalf of the pilots
23 of all the districts across Canada of the districts in
24 which the pilots belonged to the Merchant Service
25 Guild.

26 March 23rd Mr. Lalonde's letter was
27 acknowledged by the Minister.

28 Q. I am sorry, what date?

29 A. March 23rd.

30 On March 14th a letter was despatched



1 over Mr. Cumyn's signature to Mr. Lalonde giving
2 answers to the various submissions made by each of
3 the districts.

4 On March 15th and March 16th the pilots
5 had their annual convention. On March 20th Mr.
6 Lalonde saw the Deputy Minister and proposed a two
7 year freeze and consideration by the pilots of the
8 target income concept in return for tariff concessions
9 immediately.

10 Mr. Lalonde saw Mr. Cumyn on the
11 following day.

12 On March 27th the Shipping Federation
13 met the Minister. On April 4th --

14 MR. LALONDE: You said on March the
15 20th and 21st I saw the Deputy Minister, Mr. Cumyn.
16 Do you have the names of the people who were
17 accompanying me that day?

18 THE WITNESS: I haven't got it here,
19 Mr. Lalonde.

20 MR. LALONDE: Do you remember if any
21 people were accompanying me, pilots' representatives?

22 THE WITNESS: I think so, yes.

23 MR. LALONDE: So when you referred to
24 "Mr. Lalonde" it it is a general term?

25 THE CHAIRMAN: And party.

26 MR. JACQUES: It is a package deal.

27 THE WITNESS: Do you have March 27th?

28 MR. JACQUES: Yes.

29 THE WITNESS: The Shipping Federation
30 met the Minister. April 4th the Pilots' Confederation



1 informed the Minister by telegram of the intention
2 to refuse to work as of the night of April 5th.

3 April 4th, that same day, the Shipping
4 Federation telegraphed the Minister that they had
5 received a copy of a telegram from the pilots to
6 the Minister about cessation of work and they said
7 that a general meeting of the Shipping Federation was to
8 be held on Thursday morning, April the 5th to consider
9 the matter.

10 April 5th, 1962, the Minister telegraphed
11 to Mr. Bedard, deploring the hasty action on the part
12 of the pilots when he was actively studying these
13 problems in an attempt to bridge the gap between the
14 shipping interests and the pilots and stating that
15 a full letter on the matter would be despatched within
16 24 hours.

17 April 5th, 1962, p.m. there was a telegram
18 from the Shipping Federation stating that there were
19 in port or arriving that day twenty vessels and a
20 further fifty two due within the next seven days.

21 April 5th, again, the same day --

22 Q. Had there been any other statements
23 other than that telegram from the Shipping Federation?

24 A. I have here, it pledged full support
25 to the Department in firm action.

26 Q. In what?

27 A. Firm action.

28 Q. Would you file a copy of that
29 telegram?

30 A. Is it not on the file already?



1 Is it not in the Shipping Federation brief?

2 Q. I am sorry. I am advised it is.

3 A. I think all these things are already
4 on file.

5 Q. Continue, please.

6 A. April 5th, 1962, a letter from the
7 Minister to Mr. Lalonde with copies to the Shipping
8 Federation, the Canadian Ship Owners Association and
9 the Dominion Marine Association referring to the
10 proposal made by Mr. Lalonde on March 20th to the
11 contention of the shipping interests that tariff
12 concessions should be accompanied by an immediate
13 acceptance of the target income concept not a mere
14 expression of willingness to consider it.

15 April 5th, 1962, the same day, the work
16 stoppage started at midnight.

17 April 6th, a telegram from the Minister
18 to Mr. Bedard referring to the letter of the pilots
19 and says "Meetings with the Shipping Federation for
20 discussion should be held"; pointed out the requests
21 put forward by the pilots at various meetings had all
22 been commented on and implemented promptly where
23 feasible; accordingly, he did not understand the
24 references to the delays. He asked for an explanation
25 of outstanding questions. A copy of that telegram
26 went to the Shipping Federation.

27

28

29

30



On April 6th, 1962 the Shipping Federation telephoned to the Minister and they were gratified with the Minister's statement in the House that discussions should take place with pilots over the suggested new approach to the annual income problem and stating the willingness of the Shipping Federation to initiate such discussions as soon as the present illegal work stoppage by pilots ended. They stated that the EMPRESS OF BRITAIN with 900 passengers was delayed at Montreal and all pilots in the local District had refused duty.

There was another telegram from Mr. Bedard to the Minister and from Mr. Lalonde to the Minister, and one from the Minister to Mr. Lalonde acknowledging the letter of April 5th. A telegram from the Minister to Mr. Lalonde refers to a further telegram from Mr. Lalonde and states: "With reference to three outstanding matters not understood" -- as he had been informed the Department agreed to increase the number of pilots in the Montreal River District and that licences had been issued, that the method of statistical calculation of revenue of pilots was under study, that costs of pilots' operations had been taken up with Quebec District and was under separate study, that the major issue of tariffs and revenues was dealt with in a letter, and stated that the Shipping Federation were prepared for detailed discussions with the pilots as soon as they returned to work.

The Minister asked the pilots to accept this in good faith and to agree to move the



1 EMPRESS OF BRITAIN.

2 MR. JACQUES: Now I am going to stop you
3 there, Captain Slocombe. Could you further elaborate
4 on this request of the Minister for pilots to move
5 the EMPRESS OF BRITAIN?

6 A. What elaboration is possible?

7 Q. It seems to me that the Minister
8 being the Pilotage Authority it might be considered
9 as an order to a pilot to go on board the EMPRESS. I
10 wonder if this was directed to pilots in general or
11 to a pilot in particular and, if so, the name of the
12 pilot. Was he first on the tour-de-rôle on that
13 particular day?

14 A. This was past that stage, Mr.
15 Jacques. The dispatchers had already called the pilots
16 on the tour-de-rôle and called them for work. They had
17 refused. There was nothing sent individually to the
18 pilots other than this.

19 Q. We will come back to the problem
20 of the dispatchers in a moment. Would you continue,
21 please?

22 A. Then there was a telegram on
23 April 7th from Mr. Bedard to the Minister. Then on
24 April 9th there were meetings in Ottawa with the
25 Minister, in the morning with the Shipping Federation
26 and in the afternoon with the pilots, and in the night
27 in my office with the pilots -- from 8:00 P.M. to 10:40
28 P.M.

29 On April 10th there was a telegram
30 from the Minister to each pilot in the Montreal River,



1 Montreal Harbour, Quebec, Cornwall and Kingston Districts
2 asking them to go back to work and outlining the
3 matters under study and points on which action has
4 been taken. I think this is probably on file.

5 Q. I do not think it is. I have
6 copies of telegrams addressed to pilots of various
7 Districts -- Cornwall, Montreal Harbour, Kingston,
8 Quebec, Montreal River. All of them are in both
9 English and French and there is a list of names and
10 addresses attached to each copy of the telegram. Would
11 you look at these documents and tell me whether they
12 are those to which you have just made reference?

13 A. These are photostatic copies
14 of the messages as mentioned, dated April 10th.

15 MR. JACQUES: I do not believe they have
16 been filed. I would like to file them as Exhibit 1348 --
17 copy of telegrams sent to pilots of the Districts
18 of Cornwall, Kingston, Quebec and Montreal.

19 THE WITNESS: And the harbour group as
20 well.

21 MR. JACQUES: Montreal, both River and
22 Harbour, dated April 10th, 1962, together with a list
23 of the persons to whom the telegram was sent.

24 ---EXHIBIT NO. 1348: Copy of telegram sent to pilots of
25 Cornwall, Kingston, Quebec, Montreal
26 River and Montreal Harbour Districts
dated April 10th, 1962 and list of
recipients of same.

27 THE WITNESS: On April 12th there were
28 telegrams from the Waterfront Workers at Saint John,
29 New Brunswick, from the Canadian Labour Congress...

30 Q. I do not believe we have that.



1 Would you make copies of these, please?

2 A. From the Waterfront Workers,
3 Saint John, Canadian Labour Congress and International
4 Longshoremen's Association at Saint John, all in support
5 of the pilots.

6 Q. On April 13th, 1962 there were
7 meetings with the Shipping Federation and later with
8 the pilots in the Minister's office, and the settlement
9 of the strike. On that same day there was a letter to
10 Mr. Lalonde from the Minister and on April 14th the
11 ships were being moved. What, in your opinion, was
12 the most contentious question at this stage of the
13 strike?

14 A. I have a feeling that it was
15 a misunderstanding about this target income and so on.
16 I think myself that the pilots jumped the gun. They
17 were so frightened that there might be anything that
18 would affect their status that they took rather
19 precipitate action.

20 Q. There seems to have been quite
21 a series of problems outstanding at that time. Do you
22 recall any of those? They were stated in the evidence
23 previously and some of them seem to have been outstanding
24 for quite some time.

25 A. Some of the things that the
26 pilots had wanted had not been granted. These are all
27 laid out in the evidence already. I am not prepared
28 to ennumerate them now.

29 Q. Sub-question (c) of question 6 --
30 I believe you have already touched upon that?



1 A. Yes. They were requested for
2 duty, as is now in evidence, in each of the Districts.

3 Q. In each of the Kingston, Cornwall

4 ---

5 A. The Cornwall District, as I
6 recall, had not opened up yet, or the Kingston District.

7 Q. So that would apply to the
8 Districts of Quebec and Montreal?

9 A. Yes.

10 Q. Both River and Harbour?

11 A. Yes.

12 Q. And the dispatcher called by
13 telephone, I presume?

14 A. In the usual way as the pilots
15 are called. The dispatchers called the pilots in
16 turn.

17 Q. Was a note made of the answer
18 given by each pilot?

19 A. They told us in general that
20 they all answered that they were either attending a
21 meeting or there were two or three who said they were
22 sick. A small minority said they were sick, but
23 generally speaking the answer was, No, they were not
24 available; they were attending a meeting.

25 Q. Was any sanction taken against
26 any pilot?

27 A. No, there was not.

28 Q. Why not?

29 A. Because there would have been
30 no future in it, Mr. Jacques.



1 Q. No future for whom -- for the
2 pilots or the ship owners or for the Department?

3 A. For anybody concerned, certainly
4 not for the public. The public was mixed up in this
5 too.

6 Q. But to come back to a more
7 serious mood, why was no sanction taken? What is the
8 real reason? Was the Department afraid that if they
9 took action against, say, the first man on the tour-de-
10 rôle, that there would be another strike?

11 A. On earlier occasions we had
12 made threatening noises which had come to nothing, and
13 this was not done in this case.

14 Q. Why was it not done?

15 A. Because it would not have helped
16 to settle the strike. The main object at the time was
17 to get the ships moving.

18 Q. But after the strike had been
19 settled?

20 A. Well then, if there had been
21 action taken against them there would have been another
22 strike, no doubt.

23 Q. Is that the real reason behind
24 your not taking action under your by-laws?

25 A. It is not practical, Mr. Jacques.
26 You cannot take action against a big group of men like
27 that.

28 Q. Why not?

29 A. I won't attempt to answer that.
30 I think you know as well as I do.



1 Q. Now sub-question (d) ---

2 THE CHAIRMAN: Just think of all the
3 clientele you would have then.

4 MR. JACQUES: Yes. My friend, Mr. Lalonde,
5 would have required some help.

6 MR. LALONDE: I have already approached
7 my friend Mr. Brisset in that respect.

8 MR. JACQUES: Q. Was the possibility of
9 taking sanction against the pilots ever considered
10 by the Department?

11 A. Oh, yes, certainly.

12 Q. Was it discussed?

13 A. In this particular case?

14 Q. Yes, in this particular case.

15 A. I do not think so. Experience
16 had taught us that it was no use. You see, any sanction
17 that would be taken might have to deal with the pilots'
18 licences. If you suspend all the pilots you still
19 have no pilots.

20 THE CHAIRMAN: I recall one instance where
21 it was done. It was in British Columbia in 1920.

22 THE WITNESS: Is that so?

23 THE CHAIRMAN: All the licences of the
24 District were cancelled and they were without licensed
25 pilots for some nine years. It was free enterprise
26 altogether and competing against each other.

27 MR. JACQUES: Q. But it was never
28 discussed?

29 A. Not seriously, no.

30 Q. No seriously, but then it was



1 discussed?

2 A. Oh, it may have been discussed
3 in conversation -- "Can't we do something about it?"

4 Q. But at the very top of the
5 echelon was it discussed?

6 A. I cannot answer that.

7 Q. At your level?

8 A. Not in my presence, as far as
9 I can remember.

10 Q. At your level?

11 A. No, not as a feasible course of
12 action, no.

13 Q. In other words, there might have
14 been a wish expressed but there was no serious discussion
15 of that matter?

16 A. At this particular time I do
17 not think so. As I say, this had been thoroughly
18 discussed before on previous occasions and it had not
19 been found effective.

20 Q. You felt that the group was too
21 homogenous and too strong for you to take steps against
22 a pilot?

23 A. Yes. It would not have helped
24 to get the ships moving; that is a certainty.

25 Q. You know in labour circles, I
26 believe -- and my friend can correct me if I am wrong --
27 in a case where a party thinks a strike is illegal or
28 a picket line is illegal they sue or they charge the
29 leaders of the group without charging everyone, of
30 course. Had that thought occurred to the Department?



1 A. I do not think so. As usual
2 we tried to lean over backwards and tried to persuade
3 the pilots.

4 Q. I am instructed that the Honourable
5 Minister of Transport made a declaration in the House
6 of Commons to the effect that the stoppage of work was
7 illegal. Do you recall that?

8 A. Yes, I believe so. It was illegal
9 because a pilot has no right to refuse work.

10 Q. And the Minister expressed the
11 considered view of his advisors when he mentioned that?

12 A. I cannot answer that, Mr. Jacques.
13 Obviously this is not illegal in the same sense, in the
14 context of the Labour Code because the Labour Code does
15 not apply to these groups.

16 Q. This is not what I implied. When
17 the Minister made that statement he had presumably
18 been advised by his staff that the strike was illegal?

19 A. He was aware of the provision
20 of the Act and the by-laws.

21 Q. But there was no discussion on
22 that, was there?

23 A. Not with me.

24 Q. Not at your level?

25 A. No.

26 Q. Now sub-question (d) refers to
27 this famous telegram which was sent by the Federation
28 to various ship Masters.

29 MR. LALONDE: The Shipping Federation?

30 MR. JACQUES: No, of course not.



1 THE WITNESS: This is the telegram sent
2 by the Pilots' Federation to incoming ships' Masters.
3 No, it was not authorized by the Department.

4 Q. What is the view of the Pilotage
5 Authority on such a telegram being sent by the pilots
6 to ships' Masters apparently at large?

7 A. It does not bear expression.

8 Q. I am sorry, my English is not
9 too good. I do not understand what you mean.

10 A. The Department did not like it.

11 Q. In the view of the Pilotage
12 Authority who is entitled to say that no licensed
13 pilots are available in one particular District?

14 A. Only the local Supervisor.

15 Q. Only the local Supervisor. In
16 the view of the Department of Transport who is entitled
17 to say whether Aids to Navigation are in position or not?

18 A. This would be the District Marine
19 Agent.

20 Q. In the view of the Department
21 of Transport who would be entitled to decide whether
22 a grounding or a collision occurred because there was
23 no licensed pilot aboard?

24 A. This would be a finding of an
25 inquiry or a court case.

26 MR. JACQUES: Thank you.

27 -----

28 CROSS-EXAMINATION BY MR. LALONDE:

29 Q. In connection with this last
30 question raised by my friend, I understand that anybody



1 can send a telegram over a radio-telephone, is that
2 not the case, provided he pays the fee?

3 A. This is correct.

4 Q. I understand that certainly it
5 would be an offence for anybody to send a telegram
6 pretending that he sends that telegram as the Pilotage
7 Authority or as the Dominion Marine Agent or as any
8 official governmental body. That is quite obvious,
9 isn't it?

10 A. Yes, quite.

11 Q. Suppose that I, as an individual,
12 were to send a telegram to a ship today or to any
13 ships today, and supposing that I have seen an accident
14 or I have seen a very serious accident blocking the
15 river, let us say; is there anything illegal in my
16 sending a telegram advising all ships and signing my
17 name obviously -- not that of the government -- that
18 a grounding or accident has occurred on the St. Lawrence
19 River at such and such a place and has blocked the River.
20 Is there anything illegal in that?

21 A. Not as far as I know.

22 Q. And suppose that it would have
23 been an individual citizen and knew for a fact that no
24 licensed pilots were available during the strike, for
25 instance, was there anything illegal in my sending a
26 telegram to ships or to a ship saying no licences
27 available, and sign my name?

28 A. No, there is nothing illegal, no.

29 Q. Is there anything illegal in,
30 say, if I was to send a telegram in such a case



1 and suggesting that ships navigating without pilots had
2 accidents in the St. Lawrence River?

3 A. Nothing illegal as far as I know.
4 Merely presumptuous.

5 Q. In such a case, provided I signed
6 my name and people who read the telegram could identify
7 that it does not come from an official body or a
8 governmental authority -- in other words, there is no
9 false representation -- there is nothing fundamentally
10 wrong with that, is there?

11 A. Nothing illegal about it as far
12 as I know.

13 Q. Now, I don't want to open up
14 this whole question as it has been covered at length by
15 all parties concerned, but there is only one point
16 as an example -- I suppose I could take it that way --
17 refer to a telegram of April 6th, 1962 in which the
18 Minister advised that licences had been issued according
19 to the request of the pilots for four additional pilots
20 in the Montreal River District?

21 A. This is according to my note. I
22 didn't look up the telegram.

23 Q. I submit to you that it is
24 according to the telegram. Your notes are correct. I
25 do not challenge them. What I challenge, however, is
26 the fact that the licences were issued, and do you
27 know on what date the four additional licences were
28 granted in Montreal District, in the spring of 1962?

29 A. No, I don't recall.

30 Q. Would you mind checking this?



1 A. Are you raising this that they
2 were not sent until later?

3 Q. I am saying that when the Minister
4 wrote or sent the telegram to the effect that four
5 additional pilots had been appointed -- I will get the
6 exact letter for you. You don't have that in your
7 files, do you?

8 A. I don't have it, Mr. Lalonde. I
9 haven't it here, but if the Minister said this in
10 the telegram, and I have no doubt he did, he meant
11 that the pilots had been appointed, I imagine.

12 I can give a similar instance .
13 Today Mr. Duclos has finished his trips in the Cornwall
14 District, and we have got the licence but we have
15 wired down to the Superintendent to put him on the
16 tour-de-role and give him a letter of authorization,
17 that the licence was on the way.

18 MR. LALONDE: I submit to you no such
19 appointment had taken place when the Minister sent the
20 letter on April 6th. If you look in your files you
21 will not be able to find such appointment.

22 -----

23 CROSS-EXAMINATION BY MR. BRISSET:

24 Q. Captain, I am advised when the
25 Deputy Minister was made aware of these telegrams being
26 sent to ships in the course of the strike, he too took
27 steps to stop this immediately even though it was not
28 illegal. Are you aware of that?

29 A. No, I am not aware of that, Mr.
30 Brisset. I don't recall it.



1 Q. Were you aware that during the
2 days of the strike steps had been taken and a plan
3 evolved to get the ships moving without pilots?

4 A. I am aware that some ships did
5 move without pilots.

6 Q. And a plan was in the process of
7 being evolved in order to permit ships to move up the
8 river without pilots, with the use of convoy --

9 A. There was discussion and talk
10 of this, yes.

11 Q. Was that with the approval of
12 the Department?

13 A. Oh, yes, I believe the Department
14 were going to use what we call now the Coast Guard
15 ships for this.

16 Q. For this purpose? One last
17 question, Captain, is there any reason why the
18 Shipping Federation and other ship owners' associations,
19 as far as I can speak for them, were not informed by
20 the Department of Transport of the plan of the Depart-
21 ment to deduct what has been called the excess over
22 a certain revenue from the earnings of the pilots in
23 Quebec and ~~Saint~~ John District even at the meetings which
24 took place on February 26 and 27 and all parties were
25 present?

26 A. You are asking me why?

27 Q. Yes.

28 A. I don't know. I was not aware
29 that you were not aware of it.

30 Q. At all events, this is not



1 discussed at the meeting of the 26th and the meeting
2 of the 27th of February, 1962 when everybody was there?

3 A. I would have to look into that.
4 I don't remember exactly. The briefs put in by the
5 pilots were discussed. Now, at that time mention
6 may have been made by Mr. Cumyn of some target income
7 or something like this. I don't know.

8 Q. But not of this idea of removing
9 what has been called the excess over a stated revenue
10 in the Districts of Quebec and Saint John, in particular?

11 A. Possibly not. It was not
12 supposed to be affecting the ship owners.

13 Q. And that would be the reason
14 why the ship owners were not informed of that plan or
15 project?

16 A. I imagine so. It would not be
17 any definite effort to keep the ship owners in
18 ignorance of it. It may have been just that they
19 were not formally notified of it in view of the fact
20 that it was not supposed to be affecting them.

21 Q. You did not consider at the time
22 that this would be of interest to the ship owners in
23 any way, shape or form to know about this?

24 A. Oh, I would say so, yes, and
25 I am very surprised if they didn't know about it
26 informally. I don't know.

27 Q. At all events, there were no
28 formal communications by the Department to the ship
29 owners of this proposed plan?

30 A. As I recall now, no.



1 THE CHAIRMAN: No further questions on
2 this subject? Next question.

3 -----
4 DIRECT EXAMINATION BY MR. JACQUES:

5 Q. Question number 7, explain
6 apparent failure to respect agreement by Minister of
7 Transport on the method of computing effective pilots.

8 A. My Lord, hasn't this been
9 beaten to death already? Do I need to try to answer
10 that question?

11 Q. Well, Captain Jones made several
12 comments on that, and he stated that the old method
13 of computing effective pilots had been kept merely
14 because they want to have valid comparisons, you wanted
15 to be able to make valid comparison --

16 A. Because the Commission wanted --

17 Q. You changed the method, and of
18 course you can't compare the figures you have obtained
19 from the new one with the figures you obtained from
20 the old one?

21 A. This is correct. In further
22 discussion with the pilots certainly there would be
23 a new basis.

24 Q. On question number 8 --

25 MR. LALONDE: Excuse me.

26 -----
27 CROSS-EXAMINATION BY MR. LALONDE:

28 Q. Was this decision taken by the
29 upper echelons of the Department?

30 A. Which decision, Mr. Lalonde?



1 Q. Not to apply the decision of the
2 Minister concerning the computation of effective pilots.

3 A. As I understand this has only been used
4 in the material that has been supplied to the Commission
5 in order to keep it informed, but there has been no
6 discussion since this point with the pilots.

7 Q. This is certainly a very
8 clever explanation, but I submit to you that the letter
9 of the Minister did not make any such distinction. That
10 is the letter of the Minister of April 18, 1962.

11 April 13, 1962, which reads in part:

12 "With regard to the calcu-
13 lation of net income we are
14 prepared to accept the
15 formula by which each pilot
16 will be allowed 30 days of
17 sick leave or special leave
18 annually in order to arrive
19 at the number of effective
20 pilots."

21 The statement of the Minister there, and
22 as you know the letter further states that it will be
23 tariff free for three years?

24 A. Yes.

25 Q. The statement of the Minister
26 did not at all refer to the fact that the new calculations
27 would apply only in the case of new tariff discussions.
28 This is a very general statement, isn't it?

29 A. Yes, but I thought we had
30 explained it. As I understand it, the Commission wanted



1 to have the same figures worked out in the same way
2 in order to compare year by year, but there have not
3 been any tariff discussions since then.

4 Q What you are telling me, Captain,
5 the Commission has requested you to keep the same basis
6 of calculation as the one you had before? Before
7 April, 1962?

8 A. For those documents. Is this
9 correct?

10 Q. Would you have any correspondence
11 to this effect?

12 MR. JACQUES: We did not request that you
13 maintain the same formula. In fact when we made the
14 request we were not aware of the several formulae
15 which had been adopted from time to time. We first
16 received figures showing effective pilots and whatnot,
17 and we thought we should have a complete set of
18 statistics in that respect.

19 Therefore we made the request.
20 We never requested you or the Department to use the
21 old formula as opposed to the new formula because at
22 that time we were not aware of the problem, and we
23 were told by Captain Jones yesterday --

24 THE CHAIRMAN: I think if we had known
25 we would have asked for both figures.

26 MR. JACQUES: Certainly. We were told
27 yesterday by Captain Jones that the figures which we
28 have are based on the new formula. Unless I am very
29 much mistaken that you have allotted ten days a month --

30 CAPTAIN JONES: No, sir, the old, the same



1 formula as formerly, and we haven't used the new basis,
2 and it is not ten days a month; it is 30 days a season.

3 THE CHAIRMAN: Wait a minute now. We
4 won't start that all over again. The evidence is
5 there, and when we study it if we wish further
6 information we will get it.

7 MR. JACQUES: He is worrying about another
8 point. The statistics which he has show it is the old
9 formula.

10 CAPTAIN JONES: Yes, sir.

11 MR. LALONDE: Q. Am I correct in saying
12 then, if I read your statement, your document, and
13 interpret it as applying only in the case of new
14 negotiations occurring in three years, and decide that
15 this was the interpretation to be given to that text,
16 is that correct?

17 A. I suppose so, yes.

18 -----

19 DIRECT EXAMINATION BY MR. JACQUES:

20 Q. I hope I never have to deal with
21 statistics again, particularly on effective pilots.

22 Now, question #8, how frequently
23 do pilots appeal to higher authority in the echelon,
24 in the hierarchy of officers of the Department from
25 local Supervisor right up to the Minister?

26 A. I couldn't possibly give a
27 number describing how often. I would say that whenever
28 they don't get what they want they go to higher authority.

29 Q. Couldn't you find one case?

30 A. Where they did go to higher author-



1 ity?

2 Q. No, where they didn't go to
3 higher authority although the decision was, say,
4 against them?

5 A. No, I wouldn't know.

6 MR. LALONDE: Did you look for any?

7 THE WITNESS: No, I wouldn't have record
8 of it, but anything in the local running of the District,
9 provided the Pilots' Committee were not too opposed
10 to what was being proposed by the Supervisor, then
11 they would accept that.

12 Q. But your impression in the overall
13 picture -- let's get away from detail -- is that there
14 is always an appeal to a higher authority?

15 A. Yes, and most effective appeal
16 usually.

17 THE CHAIRMAN: Yes, because the
18 lower echelon has no authority as a matter of fact.

19 THE WITNESS: This is right, sir.

20 THE CHAIRMAN: And they want other
21 authority to decide whether they would agree with
22 their recommendations.

23 MR. LALONDE: You can take one instance,
24 the case mentioned this morning, the trailer at St.
25 Lambert lock?

26 THE WITNESS: I was going to say that,
27 My Lord.

28

29

30



1 MR. LANGLOIS: This question of appeal
2 I understand is for administrative matters, not
3 penalties imposed on pilots. You are talking about
4 appeals to higher authorities from decisions of
5 subordinates?

6 THE WITNESS: The word "appeal" is used
7 in the broad sense there.

8 MR. LANGLOIS: Yes, but concerning
9 administrative matters?

10 THE WITNESS: Yes.

11 THE CHAIRMAN: Against the provisions
12 of by-laws?

13 THE WITNESS: Yes, anything that --

14 THE CHAIRMAN: Interpretation.

15 THE WITNESS: If there were an objection
16 to a penalty imposed by the local Supervisor then they
17 would naturally have the right to appeal.

18 -----

19 CROSS-EXAMINATION BY MR. LALONDE:

20 Q. You must not confuse things
21 there at all. What you are referring to in the last
22 instance is an appeal which a pilot might wish to make
23 to the higher authority?

24 A. Yes.

25 Q. Do you know of an instance where
26 the pilots as a group appealed or made representations
27 against penalties in the last four or five years, let
28 us say?

29 A. No, I cannot recall one.

30 Q. In effect I think you went a



1 little bit far when you said that even the individual
2 pilot would appeal the decision of the Supervisor. Is
3 it not a fact that a decision of the local Supervisor
4 for a fine of \$20.00 is final?

5 MR. JACQUES: Forty.

6 MR. LALONDE: Forty now? It was twenty
7 before.

8 THE CHAIRMAN: Is it final?

9 MR. LALONDE: I do not know.

10 THE WITNESS: I would not think that it
11 was final. At least, I am quite sure the Pilotage
12 Authority would be always open to appeal.

13 MR. LALONDE: Q. In effect is it not the
14 case that you have had very few appeals from these
15 decisions of the local Supervisors?

16 A. This is correct.

17 THE CHAIRMAN: Personally I would think it
18 is final because there is no appeal provided for.

19 MR. BRISSET: Well then, the amount is
20 very low.

21 -----
22 DIRECT EXAMINATION BY MR. JACQUES:

23 Q. Question #9 -- what is the
24 procedure or rule followed, if any, in order to
25 eliminate accident-prone pilots? Reference was made
26 to accident-prone pilots in the evidence.

27 A. This is the purpose of the 12-
28 months' probationary period when they have a temporary
29 licence. This is when a pilot is temperamentally
30 unsuited to the pilot's job -- this is when this should



1 show up.

2 Q. Would you be able to quote me
3 one incident where a permanent licence was not issued
4 on that ground?

5 A. I cannot recall one at this time,
6 no, which indicates that you cannot say that a man is
7 temperamentally unsuited unless he develops some
8 disability later on, because these men may do 100
9 perfectly successful jobs.

10 Q. I see, but were Supervisors
11 instructed in that respect because they report
12 to the Pilotage Authority on the suitability of
13 issuing a permanent licence?

14 A. This is correct.

15 Q. Had they received instructions
16 on that particular subject?

17 A. They are responsible for making
18 a report to the Department on the pilot's progress.

19 Q. Yes, but were they instructed
20 specifically to oversee the work or to watch and see
21 if the probationary pilot was not an accident-prone
22 pilot?

23 A. It is obvious this is part of
24 their job.

25 Q. Yes, but were they instructed
26 specifically to do that?

27 A. No, Mr. Jacques, of course not.
28 You don't instruct a Supervisor on every little
29 detail of his work. There are some things that are
30 obviously his duty and one of these is to see that a



1 pilot who is not fit is not permitted to continue. He
2 must give his report on any incident that happens, and
3 if we had a number of incidents we would naturally
4 inquire.

5 Q. Is he instructed or is he given
6 instructions on what the criterion is? You say you
7 must see that a pilot is fit to do the job.

8 A. There is no criterion except
9 whether he does the job or not and if there are no
10 complaints it is taken that he is doing a successful
11 job. Nobody goes with the pilot.

12 Q. So in fact is not the position
13 this, that during the probationary period if nobody
14 complains about the pilot he gets his permanent
15 licence?

16 A. Yes, I would say that is a
17 correct statement.

18 THE CHAIRMAN: In British Columbia, of
19 course, the Superintendent has devised a system. There
20 it is different.

21 MR. JACQUES: What is that, sir?

22 THE CHAIRMAN: Locally the Superintendent
23 has devised a system to guard against that, which is
24 quite effective enough.

25 THE WITNESS: And in some other Districts,
26 My Lord, at first they go with members of the Pilots'
27 Committee and it is only when those responsible pilots
28 express an opinion that it is safe to leave the man
29 alone that they take over.

30 MR. JACQUES: Q. After the pilot has



1 obtained his permanent licence is there a system set
2 up or a rule guiding the Supervisors in order to
3 stop and perhaps eliminate accident-prone pilots?

4 A. No, because the accident-prone
5 pilots can only be shown up by accidents.

6 Q. Well, we have got a fair record
7 of accidents and sometimes you see the same name coming
8 up very often.

9 A. "Very often" being what?

10 Q. Well, talking about ships --

11 A. Twenty times in twenty years
12 perhaps?

13 Q. No, talking about multi-million
14 dollar ships, I would say three or four times is quite
15 often. Let us say more than once.

16 A. Are you going to deprive a man
17 of his licence for one accident?

18 Q. Not for one accident.

19 A. This would depend, of course, upon
20 the seriousness of his involvement in this accident.

21 Q. But there is no mechanism, there
22 are no instructions in that regard; no research has
23 been done in that respect?

24 A. I do not know how any such
25 research could be done, Mr. Jacques.

26 Q. It is done in cases of automobiles
27 and aircraft pilots; I don't see why it could not be
28 done with marine pilots.

29 THE CHAIRMAN: You would suggest a point
30 system?



1 MR. JACQUES: Yes, sir -- punch the
2 pilot's card when he gets off the ship.

3 THE CHAIRMAN: Do you have any further
4 questions on this matter?

5 MR. BRISSET: Just one, My Lord.

6 -----
7 CROSS-EXAMINATION BY MR. BRISSET:

8 Q. May I suggest that one of the
9 procedures followed is to down-grade a pilot?
10 As I understand from the evidence before this Court it
11 was done at least in one case with one pilot. Either
12 there was an A pilot down-graded to B, or B to C, I
13 forget.

14 A. There is provision for down-
15 grading from A to B but not from B to C yet.

16 Q. Would you not think there would
17 be advantage in having procedures to downgrade pilots
18 from B to C if they proved to be accident-prone,
19 for instance?

20 A. If they had an accident which
21 was due to their negligence, obviously, or want of
22 skill, I would say this is part of the reason for the
23 grading system -- that instead of taking them off the
24 District with a suspension, that they be put down to
25 the smaller ships until they have had more practice,
26 if you like to call it that -- until they have
27 demonstrated that they can carry on for at least a time
28 without difficulty.

29 Q. So this is one way of dealing
30 with the problem, a way which has proven effective in



1 in the past certainly?

2 A. For the short time we have had
3 this system, yes, we have used it once or twice; I
4 forget now.

5 THE CHAIRMAN: What is remaining for
6 tomorrow?

7 MR. JACQUES: We shall continue with the
8 questioning, My Lord.

9 THE CHAIRMAN: We have about five. After
10 that will you be ready with the inquiries?

11 THE WITNESS: I can speak generally on
12 the inquiries, My Lord. I do not know whether Mr.
13 McGillivray will be available tomorrow.

14 MR. JACQUES: Would you prefer dealing
15 with the additional questions which were inserted in the
16 brief under Section 8?

17 THE CHAIRMAN: We might be through with
18 what is left quite fast tomorrow morning, although a
19 few of those questions are quite contentious and we
20 never know what may develop. In any event it is
21 possible that we have not more than enough for the
22 morning. I will leave this to you and see what
23 happens.

24 THE WITNESS: I will be willing to go on
25 with the enquiries into casualties unless we get a
26 snag.

27 THE CHAIRMAN: From what I see Mr. Lalonde
28 is willing to do so also. So we will have plenty for
29 tomorrow. We will adjourn now until tomorrow morning at
30 ten o'clock.

----WHEREUPON THE HEARING ADJOURNED.

BINDING SECT

MAY 2 1972

